International Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper ** London, Tuesday, January 23, 1996 No. 35,115

Delors and Top Banker Air Maastricht Doubts

Currency Timetable Can't Be Met, EC Commission's Ex-Chief Fears

By Alan Friedman
International Herald Tribune

PARIS — Jacques Delors, former European Commission president, and Marc Viénot, the head of France's biggest private-sector bank, say that slowdowns in France and Germany will make economic and monetary union difficult to achieve within the agreed time frame.

"The news from France and Germany isn't reassuring," Mr. Delors told the newspaper Sud-Ouest in an interview released ahead of publication on Tuesday, Reuters reported. "It will be difficult to achieve economic and monetary union within the agreed timetable."

Mr. Delors also called for "self-criticism" by parties involved "on the way in which Europe is being built."

"People now recognize that I was right when I cautioned against certain unrealistic aspects of the Maastricht Treaty, especially on the common foreign and security policy," he said, adding the policy's aims went beyond what countries were willing to accept.

Mr. Viénot, the chief of Société Générale, said the severe economic slowdown of recent months had made France's chances of meeting the Maastricht criteria "negligible" and called for the immediate renegotiation of Europe's Maastricht treaty on economic integration and for a delay in the timetable for imposing a single currency.

A delay in the timetable is necessary, he said, because the Maastricht treaty is forcing most European countries to engage in "deflationary policies" that risked provoking "unbearable effects."

By speaking out, first in an interview with the French business daily newspaper La Tribune Desfossés and then on Radio France Inter, Mr. Viénot on Monday became the first mainstream establishment figure in the French financial world to say in public what an increasing number of business leaders and politicians are saying in private.

Jacques Calvet, chairman of the French automaker Peugeot SA, last week pronounced Maastricht "obsolete," but analysts said that while Mr. Calvet is a maverick who is well known for being outspoken, the widely respected Mr. Viénot is a far more influential figure.

"This man's opinion counts," said J. Paul Horne, chief international economist at the Paris office of Smith Barney. Mr. Horne added that "Mr. Viénot is a serious French banker who is very European, and therefore his concern about being able to achieve the Maastricht criteria and attain monetary union will have considerable influence over French opinion."

Société Générale, with 1.486 trillion francs ($294 billion) of total assets, 2,000 branches and a client base that includes 3.5 million individuals, is one of Europe's biggest commercial banks.

Mr. Viénot, 67, was described by an aide Monday as politically right-of-center, but an independent who is not affiliated with any party. He has been

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Michael Urban/Reuters

DRAWING THE LINE — An IG Metall worker in Germany protesting the government's plans to change early retirement laws. Page 13.

Fokker Abandoned By Daimler-Benz; 9,000 Jobs at Stake

By John Schmid
International Herald Tribune

STUTTGART — Daimler-Benz AG cut its financial lifeline Monday to Fokker NV, dealing a potential death blow to the struggling Dutch aircraft maker whose financial troubles will contribute to a staggering $4 billion loss for 1995 at the German parent.

Adamant that he had no other choice, Daimler's chairman, Jürgen Schrempp, insisted, "If anything, we've done too much to help Fokker."

Cutting ties to Fokker, job cuts at home in Germany and the withdrawal from other money-losing businesses should help Germany's biggest industrial group swing back to the black in 1996, Mr. Schrempp said.

The decision, effective immediately and made at an extraordinary meeting of Daimler's supervisory board, imperils most of the nearly 8,000 jobs at the 76-year-old Dutch company and those of as many as 1,100 Germany-based workers at Daimler's aerospace division that do contract work for Fokker.

Mr. Schrempp steadfastly refused to comment on Fokker's future, saying any efforts to save all or parts of Fokker now must come entirely from Fokker itself and the Dutch government, the aircraft-maker's second-largest shareholder, behind Daimler.

[The Dutch government said Monday that it was up to Fokker's management to decide the company's fate, Reuters reported from the Hague. "Fokker's future will be decided by the meeting of its management and supervisory board," Economic Affairs Minister Hans Wijers said at a news conference after meeting with Prime Minister Wim Kok.]

In its 1993 acquisition, Daimler took a controlling stake in Fokker through the creation of a holding company that owned 51 percent of Fokker. Daimler took a majority stake in the holding company, with the rest held by the Dutch state.

Fokker will very likely seek protection from its creditors and lobby the Dutch state for new subsidies while it attempts to save the parts of its business that could operate without Daimler's subsidies, analysts said.

"Profitability in all business sectors is the first goal of the company," said Mr. Schrempp, who took over as chairman less than a year ago and has staked his reputation on turning things around.

After pumping 3 billion Deutsche marks ($2.03 billion) into Fokker since 1994 just to keep its day-to-day operations alive, Daimler had said it would agree to risk 1 billion DM more — but only if the Dutch government contributed 1.3 billion DM in "fresh money" and absorbed 800 million DM in debt owed by Fokker to the Dutch state, Mr. Schrempp said.

But the Dutch never made a "concrete offer" on how much they were willing to contribute to a Fokker bailout, said Manfred Bischoff, chairman of Daimler's aerospace division, who led the nine-month talks with the Dutch.

The Dutch might not see it that way, said Sash Tusa, an aircraft-industry analyst at the brokerage UBS Ltd. in London. Searching for a white knight to rescue Fokker's core airframe-manufacturing business will be a challenge, meaning prolonged subsidies at a time when the Dutch have other priorities, such as meeting the public-deficit criteria for Europe's single currency project, Mr. Tusa said.

Any buyout talks could bog down because Fokker has sold the licenses for some of its important technology, creating an unwieldy ownership structure, he said. "I'm not saying a buyer cannot be found, I'm just saying it will demand much more time," Mr. Tusa said.

In a gibe at the Dutch, Mr. Schrempp said that every other nation with an aerospace industry long has been resigned to nurture it with some form of taxpayer subsidies. While the Dutch may save costs by letting Fokker collapse, Dutch taxpayers will ultimately foot the bill for severance payments and generous Dutch unemployment benefits, he said.

It was emotionally wrenching, Mr. Schrempp said, to tear himself away from a project that he had spearheaded: the acquisition of Fokker as the centerpiece of a new, pan-European "mini-Airbus" consortium to design and build a 100-seat medium-haul aircraft. Daimler officials made it clear that the initiative had failed after nearly three years of effort.

The same project might be taken up by the Airbus Industrie consortium, in which Daimler holds a 39.5 percent stake, said Mr. Bischoff, chairman of Daimler-Benz Aerospace AG. Although considerations are at an early stage, such a project could involve new Asian partners for the four-nation Airbus group, Mr. Bischoff said.

New Japan Chief Vows (Unspecified) Change

By Nicholas D. Kristof
New York Times Service

TOKYO — Prime Minister Ryutaro Hashimoto on Moday pledged far-reaching changes in Japan's economic structure and promised a "thoroughgoing deregulation" of the thicket of restrictions that curb just about every aspect of commercial life.

Mr. Hashimoto, who was elected earlier this month, also emphasized in a major speech to the opening session of Parliament that the Japanese relationship with the United States would remain the foundation of Japanese foreign policy.

Throughout the policy speech, Mr. Hashimoto reiterated a pledge for fundamental changes in the way Japan does business. Yet Mr. Hashimoto gave few examples and it is far from clear whether much will come of his promises.

"Reform is Japan's most pressing need today," declared Mr. Hashimoto, 58, a career politician with a reputation as a bit more aggressive and assertive than most of his predecessors.

"Like it or not, there are many changes that must be made in every aspect of Japanese society," he said. "These are necessary to cope with the collapse of Cold War structures, the erosion of national borders in the global economy, Japan's enhanced international status, and other international changes."

The government's first priority, Mr. Hashimoto said, is to rebuild the nation's battered economy.

Over the longer term, Mr. Hashimoto emphasized the need to make Japan more competitive by reviewing all regulations and eliminating many that raise the cost of doing business.

"The first structural reform here is that of thoroughgoing deregulation," Mr. Hashimoto said. "Our basic approach will be to assume that deregulation is appropriate. We will retain regulations only in exceptional cases, and we will winnow regulations down to the bare minimum consistent with their original purpose."

But Mr. Hashimoto's reluctance to cite examples inevitably raises questions about his commitment. He

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Spy Scandal May Claim Prime Minister of Poland

By Jane Perlez
New York Times Service

WARSAW — A spy scandal centering on Prime Minister Jozef Oleksy's decade-long dealings with a Soviet KGB agent could result in his resignation this week, politicians and diplomats said.

The allegations have rocked Polish politics since an ally of then-President Lech Walesa declared last month that Mr. Oleksy, a former Communist, had passed state secrets to Moscow. That accusation prompted an informal inquiry by the military prosecutor's office.

Mr. Oleksy, once the head of the Polish Communist Party's ideology department, has denied the espionage accusations but not that he knows the former Soviet diplomat and spy, Colonel Vladimir Alganov, who was stationed in Warsaw from 1982 to the early 1990s. Both men have said that they were friends and enjoyed hunting trips and social occasions together.

The military prosecutor is expected to determine this week whether to pursue a formal investigation into actions by Mr. Oleksy and several of his colleagues in the governing Democratic Left Alliance, the successor to the Communist Party.

The prime minister, who has been in office less than a year, does not rule out resigning, he said last week.

"If the results do not speak in my favor, I will not hide myself from anything," Mr. Oleksy said of the prosecutor's decision on whether the charges demand a formal investigation.

Over the weekend, a senior official of the Democratic Left Alliance said Mr. Oleksy would resign if the military prosecutor decided to pursue an investigation. The official, Tadeusz Iwinski, is a member of a group formed by the party to deal with the scandal.

Little has changed at Poland's spy services, two dissidents say. Page 6

For Poland, the allegations of spying at the top come at a sensitive time — just as the government is mounting a strenuous diplomatic effort for this former Warsaw Pact member to join NATO and separate itself from Moscow's orbit.

The new president, Aleksander Kwasniewski, also a former Communist, visited NATO headquarters in Brussels for the first time last week. Distancing himself from his colleague, Mr. Kwasniewski stressed to NATO

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AGENDA

Peter Andrews/Reuters

FUTURE REFUGEES — Serbs returning to a Sarajevo suburb Monday after a meeting on resettlement. Thousands plan to flee the city. Meanwhile, war-crimes investigators will soon start work. Page 6.

Hillary Clinton to Testify on Friday

WASHINGTON (AFP) — Hillary Rodham Clinton will testify before a grand jury here Friday in connection with the Whitewater affair, a White House official said Monday.

Mark Fabiani, the special associate counsel to the president, said Mrs. Clinton was subpoenaed last week and would testify at the request of the independent counsel regarding billing records that had been subpoenaed two years ago.

"The first lady's upcoming testimony will continue to fulfill her long-standing pledge to cooperate fully to answer all legitimate questions," Mr. Fabiani said in a statement.

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Will Arafat Share Power With Council?

By Barton Gellman
Washington Post Service

JERUSALEM — Will Yasser Arafat, the first elected Palestinian president, share power with the parliament chosen at his side? That, to many Palestinians, is the central political question now facing them as a people.

By their overwhelming turnout and the landslide victory they gave to Mr. Arafat, the voters made clear on Saturday that they accept, however grudgingly, the peace deal unfolding with Israel.

Now, after nearly two years of provisional self-rule, they have the occasion to invent a form of government for themselves. The election gave them a

NEWS ANALYSIS

chief executive and an 88-seat council, but there is no constitution to describe their division of powers. In practice, the balance will emerge from whatever competitive struggle now begins.

Few Arafat-watchers suppose that he will shed his long inclination to keep control over guns and money in his own firm grip. The question, then, boils down to whether the legislative council will have the will and wherewithal to say no to him from time to time.

"This is a very new experience, and so it is difficult to predict how members will perform," said Haider Abdel Shafi, an Arafat critic and Palestinian elder statesman who won his seat with more votes, around 55,000, than any other legislative candidate on Saturday. "I think the test will come when a confrontation of views takes place between the president and council, to see whether members will think for themselves."

The primary effect of the ballot is to tighten Mr. Arafat's grip on power and give him a form of legitimacy he never had. Congratulatory phone calls poured in to his Gaza headquarters Monday. Edward R. Abington, the U.S. consul-general who visited Mr. Arafat there, said their meeting was interrupted by calls from President Nelson Mandela of South Africa and the prime ministers of

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Dow Jones	Trib Index
Up 34.68	Down 0.34%
5219.36	131.66

The Dollar

New York.	Mon. close	previous close
DM	1.475	1.4803
Pound	1.5123	1.5105
Yen	105.75	105.325
FF	5.0474	5.0535

Newsstand Prices

Bahrain	1.000 Din	Malta	45 c.
Cyprus	C. £ 1.00	Nigeria	125,00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Riels
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	£E 5	S. Africa	R10 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 150	U.S. Mil. (Eur.)	$ 1.20
Kuwait	600 Fils	Zimbabwe	Zim.$20.00

Jupiter's Windy Atmosphere Jolts the Scientists

By John Noble Wilford
New York Times Service

NEW YORK—Scientists said Monday that analysis of data produced by the probe of Jupiter has jolted them with surprises about the planet's water levels, winds and chemical composition and has produced second thoughts about the validity of their theories of planetary formation.

The first results of a preliminary analysis of the Galileo probe of the Jovian atmosphere, delayed more than a month by the U.S. government shutdown, were described at a press conference at the Ames Research Center in Mountain View, California, which developed the probe for the National Aeronautics and Space Administration.

"There's always a sense of humility when data first come in," said Dr. Torrence V. Johnson, the chief project scientist. "The results usually don't fit very well to our models, and here we're finding some places where the shoe pinches."

In its plunge into the depths of Jupiter's atmosphere, a capsule from the Galileo spacecraft survived 57 minutes to transmit a wealth of data describing the first interior view of a gaseous outer planet.

Mission scientists said Monday that their preliminary analysis revealed that Jupiter appeared to have much less water than expected, clearer skies in the entry region, less lightning but fierce atmospheric turbulence, winds that get stronger at depths and less helium, neon and certain heavy elements such as carbon, oxygen and sulfur than predicted by theory.

It could be that the probe entered a benign region of Jupiter's sky, scientists said. The data revealed nothing of the expected three tiers of clouds. The capsule penetrated the outer atmospheric fringes, then drifted by parachute 100 miles lower, where pressures were 22 times as great as Earth at sea level. At that point, the capsule's communications system apparently failed.

"The probe detected extremely strong winds and very intense turbulence during its descent," said Dr. Richard Young, principal scientist for the probe. "This provides evidence that the energy source driving much of Jupiter's distinctive circulation phenomena is probably heat escaping from the deep interior of the planet." Winds reached velocities of 330 miles an hour, half again as much as expected.

King in All but Name/ **Abdullah's Bedouin Approach**

Hearing Saudis' Problems Face-to-Face

By Douglas Jehl
New York Times Service

RIYADH — Every Tuesday they come, petitioners by the hundreds — bearded sheikhs, tribal elders, impoverished Saudis and some of the country's elite — to seek out the man who is poised to become the next king.

With burning incense, vast carpets and crystal chandeliers, the nighttime gathering is unquestionably a royal affair. But as even the humblest visitors step forward, each is allowed a moment to make his case face to face.

At a time when living standards are falling and religious militancy is on the rise, these are uneasy days for Saudi Arabia, whose 74-year-old ruler, King Fahd, having suffered a stroke in November and has transferred power to his half-brother.

But tribal traditions like the weekly councils remain an important cohesive force in the conservative kingdom. And many Saudis have come to regard the heir, Crown Prince Abdullah ibn Abdulaziz, as a leader whose careful attention to the rite and to public concerns may be a sign of his capacity to head off trouble.

In a government portrayed by critics as corrupt, the ascetic-looking crown prince, 72, carries a reputation for probity. And while relations between the royal family and the powerful Islamic religious establishment remain strained, the crown prince's standing is enhanced by the fact that he has played no part in a crackdown on suspected militants that remains a source of tension.

"Abdullah is more a Bedouin than a city dweller," a leading Saudi businessman said. "Since he was a child he has liked to sit with the people, and he has been used as a conduit to the religious leaders. By background and by temperament, he will at least be better able to deflect some of the criticism."

Joseph Barrak/Agence France-Presse

Crown Prince Abdullah of Saudi Arabia, now ruling for King Fahd.

For now, Saudi officials have minimized the seriousness of King Fahd's illness, saying he suffers only from overwork. Since he was handed power on Jan. 1, Prince Abdullah has emphasized that he is acting only on his brother's behalf.

"He's in good health, and now he's convalescing," the Saudi information minister, Fouad Farsi, said of King Fahd in a recent interview. "But it was thought advisable that he should delegate his power to the crown prince while he is convalescing because, after all, running a country is not a trivial affair."

The West, with its heavy reliance on Saudi Arabia for oil and as a bulwark against such regional foes as Iran and Iraq, has nevertheless already focused on what many diplomats here expect to be a permanent transfer of power.

And after the shock of a bombing in the Saudi capital in November that killed five Americans and two Indians, many Saudis also admit to paying closer heed to the implications of a handover that would make the crown prince the fifth son of King Ibn Saud to succeed his father to the throne that was established 64 years ago.

Despite the discomfort expressed by many here about Saudi Arabia's reliance on Western security guarantees, Western diplomats and many Saudis have expressed confidence that Prince Abdullah will not cut back the ties that his family has long described as a necessary evil.

But while these experts said they believed that the 200 U.S., British and French warplanes and several thousand American military personnel now in Saudi Arabia would be expected to remain, they said he might prove more resistant to future U.S. requests for Saudi help.

Describing the crown prince as even more attuned than King Fahd to domestic public opinion, the experts say they see no chance that he would approve a long-frustrated U.S. request to place an armored brigade's worth of military equipment in Saudi Arabia as a contingency against Iraqi aggression.

"I don't expect somersaults, and I don't expect any unraveling," a Western ambassador said. "But I do expect some questioning of certain aspects of American policy that have tended to take Saudi Arabia for granted."

While the ruling Saud family is being portrayed by dissidents outside the kingdom as increasingly remote, the prospect of such hiccups is not seen as alarming by those who believe that the most important priority for the Saudi government is to find a way to quell domestic dissent.

"Everyone knows that Fahd had an ill-spent youth," a Western diplomat said of the king, who had a reputation as a playboy before he took power in 1982. "The same cannot be said about Abdullah. That makes it almost impossible to accuse him of hypocrisy, and it makes it possible that he will look less kindly on royal overindulgence."

It remains an open question how far any Saudi leader can or will go to address the country's underlying problems. While Saudi Arabia remains the world's largest oil producer and exporter, declining oil revenues and a fast-growing population have seen the country's per capita income plunge from the equivalent of $21,000 in 1981 to $6,800 today.

And with half the population under 15, experts say unemployment looms as the country's next big crisis.

In one important response, the royal family moved last June to shuffle the cabinet, replacing several long-serving ministers with younger, better-educated successors in the most extensive shake-up in 20 years. Austerity measures that increased the cost of electricity and other basic services have been introduced in an attempt to close the country's budget deficit.

But this year's budget included no new cost-cutting, an apparent concession to growing social discontent that opposition figures led by Mohammed Masari, the Saudi dissident long based in London, have sought to exploit.

In a country accustomed to oil wealth, the new financial pressures have complicated the royal family's task of maintaining public support. But Saudis and Western diplomats have expressed hope that Prince Abdullah, by background and instincts, may be well equipped to ease some of the tensions.

A committed horseman who since 1962 has commanded the Saudi National Guard, the crown prince, who vacations in Morocco, would bring a very different image to the Saudi throne than King Fahd, who has long favored European escapes.

The son of a Bedouin mother, the crown prince is not part of the Sudeiri clan that bonds King Fahd and his full brothers, including Prince Sultan, 68, the defense minister, who is second in line for the throne; Prince Salman, the governor of Riyadh, and Prince Nayef, the interior minister.

Because the crown prince is already well into his 70s, the long-term relationship between the Saud family and the Saudi people may not be determined until the mantle passes from the sons of King Ibn Saud to the grandsons, a shift that is not expected for at least a decade.

Prince Abdullah has been spared attacks from such critics as Mr. Masari, whose broadsides against the Saud family have found an avid audience among Saudis who read them via fax and electronic mail.

The dissident, who has been ordered to leave Britain, said this month that he remained determined to topple the Saudi government no matter who headed it.

But Mr. Masari has also gone out of his way to describe Prince Abdullah as "less corrupt" than other members of the royal family, including Prince Sultan, whom the dissident has made his favorite target.

Since King Fahd was hospitalized in late November, there has been no sign of a jockeying for position among his sons, continuing an orderly tradition that has withstood crisis and assassination.

From King Ibn Saud, who took power in 1932, the crown has been handed to his sons — Saud in 1954, Faisal in 1962, Khalid in 1975 and Fahd in 1982. Saudi officials say it has long been clear that it would be passed in turn to Prince Abdullah, who holds the title of first deputy prime minister.

In a country whose leaders draw legitimacy from their role as protectors of the Islamic holy sites in Mecca and Medina, the crown prince has maintained good relations with the religious establishment. Its traditional alliance with the Saud family was strained by the arrests last year.

At least 100 people remain behind bars.

Many Saudis who hold strong Islamic views believe that the militants are being unfairly punished for criticizing the government.

Because Prince Abdullah did not play a public part in the arrests, some of these Saudis say he may be in a position to mend fences with the critics and with religious leaders sympathetic to their complaints, some of whom he has made a habit of visiting at times of Islamic feasts.

For now, the most visible evidence of those skills is on display at the weekly council, or *majlis*, in which the crown prince opens his palace gates virtually to all comers.

Other members of the royal family also play host to the traditional gatherings, to which citizens carry crumpled written appeals for intervention and assistance, but none are on the scale of Prince Abdullah's and none carry so common a touch.

With no visible sign of security precautions, as many as 500 men in beaddresses and flowing robes took turns before him one recent week, each stepping forward to perch atop a stool and explain face to face why he had come. Some bent to kiss the crown prince's right shoulder in a gesture of respect, but in a response that is unusual here, a court chamberlain tried to quash such signs of deference.

"Shake hands only," he directed, over and over again.

COMING UP
Serbia's first lady, Mirjana Markovic, casts a long shadow across the political and economic future of the Yugoslav republic.

South Lebanon's Stake In Syrian-Israeli Talks

By John Lancaster
Washington Post Service

NABATIYAH FAOUQA, Lebanon — To reach the last Arab-Israeli war zone, turn left on a muddy dirt road and follow it to the crest of a hill. Park in front of Amina Ali's house, next to the lemon grove. Look up.

Perched on a neighboring mountaintop is a fortified gun position manned by Israeli-backed Lebanese militiamen, part of the ring of defenses protecting a strip of southern Lebanon that Israel occupies as a "security zone."

Lebanese guerrillas of the Iranian-backed Hezbollah, or Party of God, often attack the outpost, provoking retaliatory artillery strikes like the one in October 1994 that killed five of Mrs. Ali's relatives, including a son and a 14-year-old grandson. Steel darts, called flechettes, which spray from shells that work like cluster bombs, still bristle from a concrete cistern in back of her house.

"We didn't know where to hide," said Mrs. Ali, 68. "Whoever comes here says, 'How can you live here?' But we don't have the money to rent another home. Fifteen days ago, they shelled in the morning, at noon and in the evening."

Later this month, Syrian and Israeli diplomats will convene at the Wye Plantation Institute in Maryland for a round of peace talks. Much will be said about Syria's demand for the return of the Golan Heights, captured by Israel in 1967, and Israel's insistence on guarantees of security and normal relations.

But the implications for Lebanon are no less profound.

With up to 35,000 Syrian troops on Lebanese soil, Syria's smaller neighbor is a hostage to Damascus, which has long permitted Hezbollah to operate in the south. On one level, Hezbollah's operations are regarded in both Beirut and Damascus as patriotic resistance against the Israeli occupation. On another, they provide a handy means for Syria to maintain pressure on Israel.

A peace treaty is sure to include terms for an Israeli withdrawal from Lebanon in exchange for Syrian guarantees to rein in the guerrillas. That, in turn, could bring peace to villages like this one, allow the Lebanese government to reassert sovereignty over the 10 percent of the country occupied by Israeli forces and, potentially, help win back foreign investors who fled Lebanon during the years of civil war.

So important is Lebanon to a Syrian-Israeli settlement that its prime minister, Rafiq Hariri, predicted in an interview last week that his country would enter the U.S.-backed talks before the two principals complete their negotiations.

"They will not sign a peace treaty without us," he said. "They will continue the negotiations until they reach a stage where Lebanon has to enter the negotiations."

A Syrian-Israeli treaty will not solve all of Lebanon's problems. Some government officials express concern that Syria will use the negotiations to legitimize its presence in Lebanon over the long term, making the country a permanent satellite.

And Hezbollah has maintained a studied ambiguity about the peace process, holding to its public commitment to the destruction of Israel but expanding its role as a legitimate political party.

Even if Syria and Israel settle their differences, a Lebanese-Israeli peace treaty is not automatic. Outstanding issues include the fate of South Lebanon Army militiamen, and arrangements for water-sharing and economic relations between the two countries.

U.S. Sets Chemical Arms Expiry

Reuters

WASHINGTON — The Defense Department announced for the first time Monday the size of the U.S. chemical weapons arsenal — 3.6 million weapons — and said they all would be destroyed by 2004.

"As President Clinton said in his *State of the Union* message last year, the United States must lead the charge to eliminate chemical weapons," Defense Secretary William J. Perry said.

"Prompt ratification and entry into force of the multilateral Chemical Weapons Convention is critical to achieving this objective," Mr. Perry said.

Defense officials said the size of the U.S. chemical weapons arsenal was being announced partly because both President Bill Clinton and former President George Bush pledged the United States would not use such weapons, so there was no reason to keep the numbers secret.

They said the United States has also agreed with Russia to destroy all chemical weapons to set an example for other nations. The officials said the United States would complete the destruction by 2004.

TRAVEL UPDATE

European Bond Issue Is Urged for Transport

BRUSSELS (AFP) — The head of the European Commission called Monday for European Union spending on transport networks to be doubled to nearly $5 billion, and raised the possibility of issuing EU-bonds to raise the cash.

But President Jacques Santer's call was effectively cold-shouldered by most EU finance ministers, who said any extra money would have to be squeezed out of the EU's existing budget. Urging the ministers to back his proposals, Mr. Santer said an additional $2 billion to $2.4 billion was needed to complete financing for 14 priority projects.

The transport networks include cross-border highways, high-speed railroads and airports. The EU considers the projects a centerpiece of its job-creation strategy. It has already committed $2.4 billion to the projects between 1995 and 1999.

Belgium, Italy and Luxembourg expressed support for the suggestion, but it was dismissed by Austria, Britain, Finland, France, Germany, the Netherlands and Sweden.

Push for Ferry Safety

STOCKHOLM (AFP) — Seven northern European countries will try to persuade Europe's other sailing nations to strengthen the safety measures of car ferries.

Sweden, Germany, Britain, Ireland, Denmark, Finland and Norway said measures adopted at an International Maritime Organization meeting at the end of November in London were insufficient.

At a meeting Tuesday in Stockholm, they will ask that all "roll-on, roll-off" ferries be outfitted to withstand 20 inches of water on the car deck. Southern European nations oppose the costly measure, arguing it is excessive in their waters, where conditions are milder compared with the north.

The government of Pakistan approved a $220 million project Monday to build a new terminal complex at the airport in Lahore, the country's second largest city, after Karachi. *(AFP)*

About 18,000 people died in traffic accidents in Thailand last year, the highest number ever, the Public Health Ministry said. *(AP)*

Correction

A New York Times article about Malawi that appeared in the Herald Tribune's Leisure pages Jan. 5 referred incorrectly to the safety of Lake Malawi. An epidemiological investigation conducted in 1993 by the U.S. Centers for Disease Control and Prevention found that the lake was not free of the parasitic infection schistosomiasis, also known as bilharzia.

Egyptian Group Vows to Avenge Jailed Sheikh

By Douglas Jehl
New York Times Service

CAIRO — The most powerful group of Muslim militants here has vowed to strike back at American targets in revenge for the life sentence that was handed down against Sheikh Omar Abdel Rahman in New York last week.

"The Americans have chosen war with Islam," the Islamic Group said in a faxed statement Sunday, in which it announced "its vow to God that it will respond blow for blow. American interests and people will be legitimate targets."

Sheikh Abdel Rahman, a 57-year-old militant Egyptian cleric who is the organization's spiritual leader, was sentenced Wednesday by a federal district judge along with nine followers after being convicted of plotting terrorist attacks on New York City landmarks and the assassination of political leaders, including President Hosni Mubarak of Egypt.

The Egyptian government has maintained a public silence since the sentencing, signaling its satisfaction that Sheikh Abdel Rahman, who has long advocated the overthrow of the secular government, now appears destined to spend the rest of his life in prison. The other defendants were sentenced to terms ranging from 25 years to life.

The Islamic Group began its violent campaign against the authorities here four years ago, and it used its statement Sunday to accuse the Egyptian government of "fighting Islam on its land as a deputy for the Americans, in an alliance with the infidels which was clear to all those with eyes."

The group has killed scores of Egyptian policemen and civilians as well as several foreign tourists in its bid to topple the Cairo government and install an Islamic state. It also claimed responsibility for a bombing in Pakistan last year that killed 16 and wounded 60 at the Egyptian Embassy in Islamabad.

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DEATH NOTICE

MARTIN S. SIGMAN
Tax adviser, died Saturday 20th January, 1996 in Paris.
There will be a graveside service at Père Lachaise Cemetery
on Wednesday 24th January at 2:45 p.m.
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THE AMERICAS

For Forbes, the Spotlight's Hot

Press Takes Hard Look at Once-Ignored Candidate

By Howard Kurtz
Washington Post Service

WASHINGTON — For Steve Forbes, once dismissed by the press as an amusing sideshow, the media spotlight is suddenly growing white-hot.

"Are you trying to buy this nomination?" an ABC News correspondent asked Mr. Forbes Sunday on the network's interview program.

"His refusal to make public his tax returns is bound to fuel charges that he has something to hide," Time says in a cover story out Monday.

Newsweek, in its own cover story, digs into Mr. Forbes's personal life, citing a "threat of blackmail" from a man who claimed to be a homosexual lover of Mr. Forbes's father, Malcolm S. Forbes Sr.

For this unorthodox and sometimes awkward presidential candidate to be featured on two newsmagazine covers — a coup usually reserved for the winner of the New Hampshire primary — is extraordinary. After all, Mr. Forbes still trails the Republican front-runner, Bob Dole of Kansas, the Senate majority leader, by a wide margin.

But by last week CNN pollsters were running a hypothetical matchup against President Bill Clinton, which Mr. Forbes lost by just 7 points.

Still, the wealthy publisher is just starting to be placed under the media microscope. On the ABC program, another correspondent pressed Mr. Forbes on his plan to privatize Social Security for younger workers, the sort of explosive proposal that would have been front-page news had it been offered by Mr. Dole. Mr. Forbes replied that younger workers, while switching to individual retirement accounts, would still have to contribute to keeping the current system intact.

Mr. Forbes's negative ads, which portray Mr. Dole and Senator Phil Gramm of Texas as tax-and-spend "Washington politicians," are also drawing criticism for "distortions."

Perhaps inevitably, that scrutiny is also turning personal. In the Newsweek article, Mr. Forbes confirms that he received at least one threatening letter from George Warnock, the alleged friend of his father's, who later pleaded guilty to extortion.

Three months ago, the candidate drew only a handful of bored-looking reporters while campaigning in Delaware. Last week in New Hampshire, where Mr. Forbes's self-financed media blitz has catapulted him into second place, he was dogged by 40 reporters and filmed by seven television cameras. And the questions dealt not just with his signature flat-tax plan, but his views on subjects from abortion to criminal justice to the environment.

When Mr. Forbes announced his long-shot candidacy in September, the New York Times ran only a wire story. "The reaction of the Washington political establishment yesterday was more one of lightheartedness amusement," The Washington Post reported.

Now the press is taking a closer look, particularly at the flat tax. Mr. Forbes would tax all wages at 17 percent after exemptions. For a family of four, for example, the first $36,000 would be exempt from taxation. He has disputed projections that his flat tax would swell the budget deficit by as much as $200 billion.

On the NBC News program "Meet the Press" two weeks ago, Tim Russert questioned whether it was "fair" for Mr. Forbes to refuse to tax investment income, a move that would slash his own tax bill. "The way you demagogue it," Mr. Forbes replied, it "may be necessary" to change the plan. Days later, Mr. Forbes said he had just been "twitting" Mr. Russert.

Until recently, to the chagrin of his Republican rivals, Mr. Forbes has had a relatively soft ride in the press. But the tone is gradually becoming more critical, particularly on the flat tax, and some analysts are questioning whether Mr. Forbes will get a fair shake.

"Conservatives have often found that when the scrutiny machine goes after them, it winds up trying to destroy them merely for being conservative," said Fred Barnes, executive editor of the Weekly Standard. "Here's a guy who is a radical conservative of inherited wealth and puts out a magazine that argues the virtues of unfettered capitalism. He's not the kind of guy the press is usually going to write anything nice about. The ingredients are there for some hit jobs."

Mr. Forbes, 48, took over the family magazine after his father's death in 1990. His only government experience has been as head of the board that oversees Radio Free Europe after a 1985 appointment by President Ronald Reagan.

The New Jersey publisher and his wife have five daughters and, according to rival Fortune magazine, an estimated net worth of $438 million.

Paul Vathis/The Associated Press

Plows pushing ice away from homes in Harrisburg, Pennsylvania.

Flood Victims in Eastern U.S. Return to Misery

Compiled by Our Staff From Dispatches

WASHINGTON — Weary rescue workers mopped up on Monday after floods that swamped wide areas of the eastern United States, leaving behind a tide of misery and sodden homes.

Thousands of residents who had fled homes in Pennsylvania, New Jersey and Maryland returned to flooded basements, ruined property and swamped streets.

In Washington, commuters faced traffic chaos as major roads near the Potomac River remained closed for the second day.

The city's National Airport remained open after fighting off a flood threat over the weekend, but the main access road from the city center was closed.

In the Georgetown district and in Alexandria, Virginia, property owners assessed damage after the Potomac subsided from levels about seven feet (more than two meters) above normal.

"The river is subsiding now and we hope to get back to normal in the next couple of days," said one city official.

Melting snow combined with heavy rain to turn waterways into torrents, forcing evacuations in Ohio, Pennsylvania, West Virginia, New Jersey and New York. At least 32 deaths, mostly from drowning, were attributed to the heavy flooding. Three people were reported missing in Pennsylvania.

"We had eight feet of water in the cellar — it was filled right to the top," said Barbara Meuller, from her home along the Delaware River in Harmony Township, New Jersey. "We have seen the water come up to the banks many times, but never anything like this."

Normally smooth as a lake, the Delaware's water on Sunday raged under a bridge crossing to New Hope, Pennsylvania.

"There were hot tubs floating down there, people's shacks, tires, barrels, you name it," said Mike Smith, one of many who watched from the bridge.

President Bill Clinton declared six Pennsylvania counties a disaster area on Sunday. They included the cities of Harrisburg and Wilkes-Barre.

On Monday, the federal government added 19 other counties to the list, and governors in New Jersey, New York, West Virginia, Maryland and Ohio also said they were seeking federal relief.

In central Pennsylvania, some bridges remained closed Monday, and railroad tracks east of Harrisburg were covered, forcing Amtrak to reroute passengers onto buses between that city and Lancaster.

Harrisburg firefighters had to wade through hip-deep water early Monday to reach a fire in an evacuated historic neighborhood. Four houses were destroyed and three others damaged.

Some 2,000 Ohio residents who had been evacuated from homes along a 37-mile stretch of the Ohio River were allowed to return Monday as water receded and crews began to clean up.

In nearby Bloomsburg, Pennsylvania, where the air was filled with the hum of heavy-duty vacuums and water pumps, some residents allowed to return home Sunday seemed nonchalant.

"We're used to it," Collins Long said. "Anybody who lives on the banks of a river knows that it's going to flood sometimes."

Warmer temperatures last week and heavy rain broke up ice jams along streams and creeks and melted mounds of snow that fell during the region's record-breaking blizzard two weeks ago.

In eastern Ohio, some 10,000 residents in Martins Ferry will soon be without fresh drinking water because water pumping stations are submerged, said Dick Quinlin, Emergency Management Agency coordinator.

The Ohio National Guard brought in tanks holding more than 11,000 gallons of water, and authorities were trying to get water fed to the city from another system, Mr. Quinlin said.

In West Virginia, the Ohio River crested as high as 10 feet above flood level at Wheeling.

"This water is so powerful," said Governor Gaston Caperton, who toured the hardest hit areas by helicopter Sunday. "Nature, when it wants to take over, nothing gets in its way."

(Reuters, AP)

Mrs. Clinton Offers to Reply In Writing on Whitewater

By Stephen Labaton
New York Times Service

WASHINGTON — Hoping to encourage the Senate Whitewater committee to complete its inquiry soon, Hillary Rodham Clinton volunteered on Monday to answer any questions, in writing, that the Senators may have.

As the Republican staff was putting the finishing touches on a request for the full Senate to extend the life of the Whitewater committee beyond Feb. 29, the personal lawyer to the Clintons sent a letter to the ranking Republican and Democrat on the committee inviting them to submit written questions to Mrs. Clinton.

"In the past, the committee has presented written questions, and Mrs. Clinton has responded," said the letter, which was written by David E. Kendall. "She is certainly willing to do so again in an effort to bring your inquiry to a conclusion."

In a brief reply, a Republican counsel, Robert J. Giuffra Jr., indicated without quite saying it that a personal appearance by the first lady might be more appropriate.

"After the committee has reviewed and analyzed" more evidence, Mr. Giuffra wrote in a letter to Mr. Kendall, "the committee looks forward to hearing Mrs. Clinton's responses to our questions."

Officials on the committee said that Mr. Giuffra had chosen the word "hearing" with care and that it had been approved by the chairman of the committee, Senator Alfonse M. D'Amato, Republican of New York.

Still, Mr. Kendall's letter, and Mr. Giuffra's reply left unaddressed a central question of the hearings that both sides have danced around for the last few weeks: whether Mrs. Clinton will make an appearance before the committee.

For months, Mr. D'Amato has declined the pleas of other Republicans on the committee who have asked him to summon Mrs. Clinton to resolve conflicting testimony and clear up unanswered questions raised at the hearing. Instead, he has effectively told Mrs. Clinton, "After you, Gaston" by saying that she may appear before the committee if she wishes.

Mrs. Clinton has responded in kind, saying she would do anything that is necessary to clear up the questions raised by the committee, but never committing to making a personal appearance.

POLITICAL

White House Warning

WASHINGTON — The White House said Monday that the threat from a high-ranking Republican to block an increase in the nation's debt limit unless President Bill Clinton makes concessions on the budget could imperil the nation's economic security.

"The remarks are dangerous," said the White House spokesman, Mike McCurry. He called on Republican leaders to repudiate the threat, made Sunday by the House majority leader, Richard K. Armey of Texas.

Mr. Armey said the Republican-controlled House would not approve an increase in the debt limit unless Mr. Clinton made a "substantial" move toward a smaller, restructured federal government.

The Treasury Department has so far remained within the current $4.9 trillion debt ceiling by, in effect, borrowing from moneys in two government pension funds. On Feb. 15, however, the Treasury must pay a further $25 billion on the federal debt, and Secretary Robert E. Rubin, without providing details, has said his department will have to take extraordinary steps to do so.

Mr. Armey said Sunday that any measure to increase the debt limit would have to contain wording to stop the Mr. Rubin from "raiding the trust funds of federal workers." It would also have to abolish the Commerce Department, he said. *(IHT)*

Flap Over Flood Relief

WASHINGTON — President Clinton's top spokesman on Monday accused the Republican governor of Pennsylvania of engaging in a "public relations contest" after the state leader criticized federal response to weekend flooding.

"We've got people dead and missing," Governor Tom Ridge said Sunday. But, he added, "According to them, we've got flooding in basements and that's about it."

Mr. Clinton's press secretary, Mike McCurry, retorted: "He ran his mouth instead of getting the work done that would have led to getting the assistance."

Pennsylvania is a key state in Mr. Clinton's 1996 re-election bid. He issued a disaster declaration Sunday for six counties in the state. Nineteen counties were added Monday. *(AP)*

Quote/Unquote

Charlene White, a hairstylist in Utah, after taking a month to digest accusations that Representative Enid Waldholtz had been elected with illegal campaign contributions handled by her husband: "It's one thing to discover that you married a creep. But it's something else to say that you are so busy that you do not know what is going on with your money." *(NYT)*

Away From Politics

- Fire aboard the aircraft carrier John F. Kennedy caused minor damage and slightly injured 17 sailors, the navy said. The fire broke out during flight operations 150 miles (240 kilometers) off Florida. *(AP)*

- Salvagers began draining a grounded barge of 2 million gallons of heating oil, as crews continued skimming a spill that imperils coastal wildlife near South Kingstown, Rhode Island. The extent of damage will not be known for months. *(AP)*

- A replica of a Unabomber bomb that killed a man — made to train postal employees how to spot bombs — somehow got into the mail system and was on its way to the victim's house when an alert postal worker spotted the package and stopped it in time. The victim was Thomas J. Mosser, who was killed in December 1994 in West Caldwell, New Jersey. *(AP)*

Lawyers Take Simpson's Deposition

Compiled by Our Staff From Dispatches

LOS ANGELES — O.J. Simpson began giving a sworn deposition on Monday in a wrongful-death civil suit brought by the families of the two people he was acquitted of murdering.

The lawsuit forces Mr. Simpson, who did not take the witness stand during his nine-month trial, to tell his story under oath.

Unlike a criminal trial, in which the jury must find guilt "beyond a reasonable doubt," the standard in a civil case is less stringent, needing only "a preponderance of evidence" to find guilt.

The families are seeking unspecified monetary damages for the 1994 murders of Nicole Brown Simpson, Mr. Simpson's former wife, and her friend, Ronald L. Goldman.

Mr. Simpson was found not guilty of their murders on Oct. 3 and has vowed to track down the killers.

The deposition is being taken in advance of a hearing before a jury later this year, probably in April. Mr. Simpson was expected to testify all day Monday and perhaps several more days this week.

The former football player and actor, who was in prison for 16 months before and during his criminal trial, has avoided direct questioning about the case from reporters and lawyers. The only comments he has made are contained on a video meant for sale to the public.

Soon after his acquittal, he agreed to be interviewed by a reporter for NBC, but backed out of the arrangement.

The deposition was taken at the office of Daniel Petrocelli, an attorney for the Goldman family. Mr. Simpson was in the back seat of a black van that drove up to a rear entrance of the lawyer's building, to avoid reporters and camera crews, and was accompanied by two of his attorneys.

Fred Goldman and his daughter Kim appeared at the lawyer's office at about 9:15 A.M. Ms. Goldman is not technically a party to the law suit and was not permitted to be present while the deposition was taken.

Also present was Michael Brewer, a lawyer for Sharon Rufo, Ronald Goldman's mother, who is divorced from Fred Goldman.

In closed-door sessions expected to last several days, Mr. Simpson will be questioned by opposing attorneys about the June 12, 1994, slayings.

Mr. Simpson's videotaped deposition is expected to focus on his alibis, and transcripts of it will be made public.

In addition, the families' lawyers will probably ask Mr. Simpson about the video that he is selling through a mail-order firm, in which he ridicules the Los Angeles Police Department's investigation of the murders.

On Wednesday, Black Entertainment Television, a cable channel, will carry an interview with Mr. Simpson.

The cable station had said initially that the murders, the trial and Mr. Simpson's alibi would be off-limits during the interview and that questions would be limited to a discussion of his life since the verdicts.

But on Monday, the network's president, Jeffrei Lee, said there were no stipulations placed on the interview.

In another development, Mr. Simpson's lawyers were due to attend a court hearing in Santa Monica later Monday at which Judge Alan Haber was to rule on their attempts to have the Goldman-Brown suit thrown out.

The New York Post, meanwhile, reported that Mr. Simpson's lawyers are planning to blame the murders on an accused serial killer who was arrested after a cross-country manhunt late last year.

The newspaper quoted an investigator for Mr. Simpson's lawyers as saying he had uncovered "coincidences" that tied the murders to Glen Rogers, who is suspected in the slayings of women in at least four states and who has bragged to the police that he has killed 70 people.

The investigator told the Post that Mr. Rogers painted a house a few blocks from Mrs. Simpson's condominium three months before her death.

The Post said he had bragged to friends that he had dated her. The Los Angeles police told the newspaper that they were not taking the claim seriously. *(Reuters, AP, AFP)*

PUBLICATION JUDICIAL

COUNTERFEITING OF THE CHANEL COMPANY'S

CHANEL

AND

TRADE MARKS:

COUNTERFEITING OF CHANEL HANDBAG DESIGN

By virtue of a judgement dated 23 February 1994 the Tribunal of Grande Instance of NICE, Division 3, declares that ;

Whereas under section 716-8 of the Decree dated July 1st 1992, and in accordance with their powers, the French Customs Authorities at NICE CÔTE D'AZUR Airport seized a number of handbags and belts, as well as various other items bearing the CHANEL Company's trademarks, originating from VENTIMIGLIA in ITALIE and in the possession of Mr BRANTJES and:

Whereas a distraint for counterfeiting has been lawfully authorised by virtue of a Court Order issued on 23rd July 1993 and executed on 16th August at the premises of the Customs Department...

ACCORDINGLY THE TRIBUNAL:

- Declares and orders that the importation and possession by Mr Jacqueline BRANTJES of handbags, costume jewellery, and accessoiries bearing a copy of the CHANEL name and back to back interlinked capital letters "C" trade marks, constitue the counterfeiting and illicit and fraudulent imitation of the CHANEL name and CC Logo trade marks bicoloured

owned by CHANEL within the meaning of Section 713-2 and 3 of the Law Decree dated 1st July 1992 and of sections 422 and suite of the Criminal Code

- Declares and orders that importation and possession by Mrs Jacqueline BRANTJES of handbags similiar to the CHANEL design constitue the counterfeiting of the CHANEL handbag design, owned by CHANEL within the meaning of the provisions of sections 40 of the Law Decree dated 11 March 1957 and 85 and suite of the Criminal Code;

- Prohibits Mrs BRANTJES from using CHANEL's trade marks and logos, which constitutes courterfeiting, in any capacity whatsoever and in any form whatsoever, under penalty of a fine, of 1.000 Francs per breach commited as from the date of service of the judgment hereby;

- Prohibits the defendant from manufacturing, importing, offering for sale or resale on any pretence whatsoever, any handbag beraing the above characteristics and constituting the counterfeit of a design of a CHANEL handbag, under penalty of a fine 3.000 Francs per breach commited as from the date of service of the judgement hereby;

- Orders Mrs BRANTJES to pay to CHANEL:

- 100.000 Francs as compensation for unauthorized use and dilution directed against the CHANEL mark,
- 100.000 Francs as compensation for unauthorized use and dilution directed against the trade mark n° 1 334 490,
- 100.000 Francs as compensation for unauthorized use and dilution directed against the trade mark n° 1 524 958,
- 100.000 Francs as compensation for unauthorized use and dilution directed against the trade mark n° 1 524 358,
- 100.000 Francs as compensation for unauthorized use and dilution directed against the trade mark n° 1 571 470,
- 150.000 Francs as compensation to CHANEL for damage resulting from the debasement of its handbag design,
- 300.000 Francs as compensation for the partial loss of market which CHANEL suffered.

- Orders the publication of the judgement hereby in its entirety or be excerpts in five publications or journals, either French or foreign selected by CHANEL and at the expense of Mrs BRANTJES, of an amount up to 15.000 Francs per insertion;

- Orders Mrs BRANTJES to pay to CHANEL the sum of 15.000 Francs in accordance with section 700 of the New Civil Procedure Code...

On Macao, East Timor Refugees Dream of the (Someday) Trip Home

By Keith B. Richburg
Washington Post Service

MACAO — One came to escape a second prison term. Another came because his name was on a list of dissidents. And Levi, with the scar on his side, came because he almost died in the graveyard where he collapsed amid the dead.

They are refugees from East Timor, the former Portuguese colony in Southeast Asia that was invaded and annexed 20 years ago by Indonesia.

Almost all were involved in some way in the struggle against what they see as the illegal occupation of their homeland. Some are university students. One described himself as a member of the armed underground resistance and said he carried medicine and supplies to guerrillas in the hills.

They have come 2,300 miles (3,700 kilometers) to this tiny island near Hong Kong by following a well-traveled "underground railroad" that runs from East Timor to Bali or Jakarta, in Indonesia, and across the South China Sea.

They come on fake passports, usually bribing Indonesian officials along the way. And once here, on what is Chinese territory but is still administered by Portugal, they are given money, a place to live, a passport and a chance to start a new life.

And all of them talk about the chance to return home someday.

"I hope," said a 32-year-old man who fled here in 1991, after a massacre by Indonesian army troops. Like most of the others, he asked that his name not be used, for fear that relatives left behind might be harmed.

"I never dreamed I'd leave my country," he said. If he stayed, "every day I'd be persecuted by the military. But what does life mean for me here? Everybody wants to live in his own country."

In the two decades since Indonesia incorporated East Timor as its 27th province, a largely invisible, low-level resistance has persisted there, creating for President Suharto's government an embarrassing international issue that will not go away.

The efforts of armed guerrillas are regarded in Jakarta as more an annoyance than a direct threat. But with each army crackdown, the government is subjected to fresh charges from foreign countries and interest groups that it is violating human rights.

The East Timorese refugees who make it to Macao arrive with tales of repression and resistance. Their presence here is in many ways a testament to the fact that after 20 years, Indonesia still has not succeeded in consolidating its hold over the East Timorese and dampening their demands for self-determination.

There are about 200 Timorese now in Macao, according to the Reverend Francisco Maria Fernandes, a Catholic priest who left East Timor shortly after Indonesia's invasion. Six years ago he came to Macao, where he assists new refugees from the largely Catholic province that is now part of a Muslim nation.

Between 80 and 100 of the Timorese are asylum-seekers waiting for visas before settling in a new home. Many of the rest are mixed-blood Chinese Timorese, and most have already been integrated into Macao society.

"There is no problem," Father Fernandes said. "They are accepted here. Macao is the only territory under Portuguese administration close to Timor."

The United Nations still recognizes Portugal as the administering power of East Timor, and anyone born there is considered a Portuguese citizen and can apply for a Portuguese passport. But because most of the refugees sneak out on fake passports, they must wait in Macao while a local support group helps them compile the needed documents — birth certificates, baptismal records, anything — to prove their identity.

Manuel Tilman, an East Timorese lawyer assisting the refugees with their resettlement, said one or two asylum-seekers arrived each week. But the number varies. Last year, some 500 came through, he said.

Many of those here now are young people who were active in the underground resistance in East Timor.

"We never give up, we never accept being a part of Indonesia," said Jaime Ximenes, a soft-spoken East Timorese who left his homeland at age 14, just after the Indonesian invasion. He is a member of Fretilin, East Timor's underground resistance movement.

From his new home here in Macao, Mr. Ximenes said he was part of a "new generation" of East Timorese, a younger, better-educated generation that shuns talk of open conflict and wants, instead, to take a conciliatory approach — even if that means deferring the dream of independence.

"What we want is for Indonesia to accept East Timor as a different entity," Mr. Ximenes said. "We want recognition that we are different from Indonesia.

"A solution for East Timor can be a compromise."

Singapore Market Ignores Lee Illness

Minister 'Generally Well'

Compiled by Our Staff From Dispatches

SINGAPORE — Former Prime Minister Lee Kuan Yew was out of intensive care and reported to be doing well Monday after treatment for a narrowed coronary artery.

Financial markets, which some feared would drop because Mr. Lee was in the hospital, appeared unaffected.

The prime minister's office said Mr. Lee was recuperating and "generally well." It said he was expected to remain in the hospital "another day or two."

The Singapore share market surged Monday, with the benchmark Straits Times Industrials Index climbing 45.34 points to end at a two-year high of 2,448.52. It was powered partly by the spillover effect from a soaring Wall Street on Friday and by institutional buying.

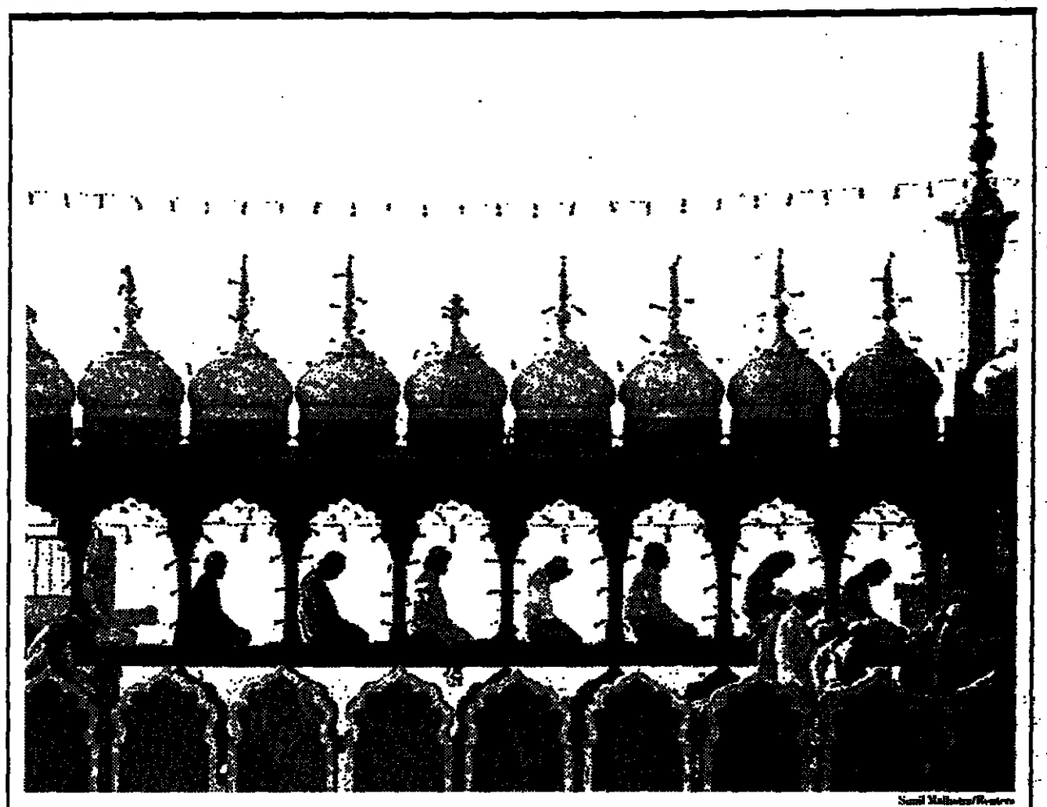
The Singapore dollar withstood an early selling attempt against the U.S. dollar, a dealer said.

Analysts said the relatively routine nature of Mr. Lee's treatment, as well the fact the market had time to digest the news over the weekend, offset any negative impact.

Mr. Lee, hospitalized Friday after complaining of chest pains while exercising, underwent a successful balloon angioplasty Saturday to open up the narrowed coronary artery.

The markets seemed to understand that Mr. Lee was no longer synonymous with the daily running of Singapore, some analysts said.

"He is a senior statesman who continues to exercise a great deal of influence on the political system, but it's a gross misrepresentation to say he continues to monopolize power in Singapore," said Lam Peng Er, a political science lecturer at the National University of Singapore.
(Reuters)



Sunil Malhotra/Reuters

OBSERVING RAMADAN — Muslims praying Monday at the main mosque in New Delhi's old city.

BRIEFLY

Hundreds Flee Northern Burma As Government Troops Move In

BANGKOK — Hundreds of people are fleeing the state of Shan in northeastern Burma, claiming harassment by Burmese government troops who moved into the area after the drug warlord Khun Sa surrendered this month, the Thai police said Monday.

Many of the people, most of them from Burma's Shan ethnic minority, have slipped across the border into Thailand during the past three weeks, the Thai border police said.

Thousands of Burmese government troops have moved into the area since the beginning of the month, taking over bases and villages previously under the control of Khun Sa's guerrilla force. The troops have been requisitioning villagers' homes and food, a Shan guerrilla officer said. "There are no military barracks in Pieng Luang, so the Burmese soldiers have taken over people's homes," the officer said, referring to a village on the Thai border. "They come in and loot the people and kill their animals to eat," he said.

Khun Sa and his supporters officially surrendered Jan. 7, and Burmese troops have been consolidating their positions in former guerrilla base areas. *(Reuters)*

Mahathir Aide Regains Post

KUALA LUMPUR — A former youth leader in the political party of Malaysia's leader said Monday that he was resuming the post he vacated in 1994 over a sex scandal, saying he had been falsely accused.

The political return of Rahim Thamby Chik's followed a Jan. 16 decision by Prime Minister Mahathir bin Mohamad's United Malays National Organization to reinstate him after he was cleared allegations of sexual misconduct and corruption.

Mr. Rahim, a close ally of Mr. Mahathir's, was forced to resign in October 1994 when he was accused of sexual misconduct involving an underaged girl. He was cleared of those allegations by the attorney general, but was subsequently charged with corruption involving a land deal while he was chief minister of southwestern Malacca state. Those charges were also eventually dropped by the attorney general. *(AFP)*

Indonesian Rebels Free Hostage

JAKARTA — Separatist rebels in the Irian Jaya region of Indonesia on Monday freed one of 14 hostages they have been holding since Jan. 8.

An Indonesian, Jacobus Wandiba, was released to missionary mediators. He was one of 26 people, including seven Europeans, who were taken from a village in the remote Irian Jaya region two weeks ago. The rebels released 11 villagers and a German last week who they said was supposed to act as an intermediary.

The rebels still hold seven Indonesians, four Britons and two Dutch. *(Reuters)*

Anti-Crime Bill Prompts Rights Protest in Philippines

The Associated Press

MANILA — As the Philippine Congress reopened, several thousand people demonstrated on Monday against anti-crime bills backed by President Fidel V. Ramos, asserting that they would limit freedom and pave the way for a return of martial law.

The legislation would give the police new powers to hold suspects without charges, conduct wiretaps and investigate bank records.

Mr. Ramos says the bills are needed to combat crime and international terrorism, but critics say they could also be used against government opponents.

The protesters filled the street in front of the Senate with large banners reading, "Fight Against a Reimposition of Martial Law," and "Reject the Anti-terrorist Act."

Opponents say that Mr. Ramos's administration is using fear of rising crime as a pretext to limit freedoms and prolong its term.

In a related development, a government informer has accused the police of planting evidence against 27 recently arrested Middle Easterners to fuel fears of terrorism. The government has denied the accusation and arrested the informer, a former Muslim rebel.

The protesters say that Mr. Ramos is following the same pattern as Ferdinand E. Marcos, who declared martial law in 1972.

An uprising in February 1986 forced Mr. Marcos to flee to the United States, and a democratic constitution was introduced the following year.

The anti-terrorism bill is sponsored by Senator Juan Ponce Enrile, who was President Marcos's defense secretary until joining a military mutiny that touched off the uprising.

Opponents of the bill include many members of Congress, Mr. Marcos's successor, Corazon C. Aquino, and the archbishop of Manila, Cardinal Jaime Sin.

"We have, indeed, a problem, a very real and serious problem concerning law and order in our country," the Senate president, Neptali Gonzales, said. "But I think we have enough laws."

In addition to the anti-crime bills, the Congress plans to consider oil deregulation and amendments to a 10 percent value-added tax that went into effect Jan. 1.

The amendments, which would allow exemptions for unprocessed food, medical services, newspapers and textbooks, are intended to cushion the tax's impact on poor people.

Cold and Hunger Visit Kabul

Faction Cuts Main Food and Fuel Supply Route

Compiled by Our Staff From Dispatches

KABUL — Residents of the Afghan capital are battling hunger and the cold after a blockade of the city's main supply route cut food and fuel supplies.

A shortage of heating fuel and basic foods, including rice, meat, flour, sugar and cooking oil, triggered by the closure has sent prices soaring, putting the items out of the reach of many Kabulis, aid workers and locals said.

The average 50-percent price rise in staples has had a crushing effect on thousands of the city's residents, and in some cases the result of icy temperatures and malnutrition has already taken lives.

"My 2-year-old son died of cold two days ago because I could not afford enough wood to heat him or enough food to nourish him properly," said Ghulam Nabi, a gasoline vendor.

But the biggest problem, of course, has been years of fighting. The Afghan government on Monday offered a unilateral cease-fire to mark the beginning of Ramadan, Islam's holy month of fasting.

"We offered to the opposition factions a cease-fire," said the Defense Ministry spokesman, Abdullah, who like many Afghans uses only one name. The rebel Taleban militia hopes to topple President Burhanuddin Rabbani's government and install strict Islamic rule.

The sudden rampant inflation began after commanders from one of the country's warring factions, the Hezb-i-Islami, closed Kabul's principal supply artery amid an internal dispute, truckers and travelers said. The dispute was over a proposed centralized collection of taxes levied by Hezb-i-Islami officers on the eastern supply route. Some commanders rejected the move, fearing it would cut their incomes, they said.
(AFP, AP)

Beijing Overhauls Military Team In a Move Seen Aimed at Taiwan

Agence France-Presse

HONG KONG — China has completed an overhaul of its Central Military Commission aimed at strengthening its grasp over the army in the event of war against Taiwan, local media reported Monday.

Quoting military sources, the independent newspaper Ming Pao said the reshuffle of high-level personnel, combined with a restructuring of the commission, indicated that Beijing was placing "important emphasis" on the military.

At the same time, it said, the central leadership was "strengthening its grasp" on the army in order to fight against a possible independence movement in Taiwan. "The motive behind the reshuffle is also aimed at strengthening the command power of the Central Military Commission in the event of possible wars against Taiwan," the sources said.

Beijing, which has viewed Taiwan as a renegade province since the end of a civil war in 1949, has vowed to attack the island should it declare official independence from the mainland.

The newspaper report said China's central leadership had agreed that Zhang Wannian, deputy chairman, is to take over the tasks of its chairman, Jiang Zemin, 68, who is concurrently president of China and general secretary of the Communist Party. Mr. Zhang, however, will not take the title of chairman, which will remain with Mr. Jiang.

■ Spain Offers Weapons

China may purchase Spanish naval technology to modernize the armed forces, a spokesman for a Spanish shipbuilder told Reuters in Madrid on Monday.

A delegation from the state owned Bazan de Construcciones Navales, is now in China.

Bazan built the recently launched, $360 million, 12,000-ton aircraft carrier for Thailand, the spokesman said. Using new technology, it can launch any type of fixed-wing plane.

Amanda Lo/Associated Press/Reuters

POLITICAL LESSON — A guerrilla patrolling a schoolyard on Monday as students in a region of Sri Lanka held by Tamil separatists watched.

VOICES ... From Asia

Paul Keating, prime minister of Australia, on his treatment of political opponents: "I might occasionally give them a corporate slur, but one that doesn't matter, like 'knuckleheads.' I don't believe in rudeness. There's no place for it and it's not needed." *(Reuters)*

Ma Ching-kwan, chairman of Hong Kong's Oriental Press Group, on the need to fight for press freedom after the colony returns to Chinese sovereignty in 1997: "Freedom is not something awarded by a government. We as newspaper proprietors must fight for it." *(AP)*

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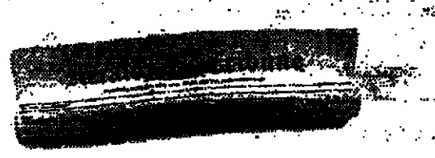


THE WORLD'S DAILY NEWSPAPER

EUROPE

Dissidents Add Fury To Polish Spy Storm

New York Times Service

WARSAW — Two of Poland's most prominent dissidents, who were jailed many times by the communist secret police, wrote in a dramatic open letter published Monday that the power of the nation's intelligence services has changed little since the Communist era.

The two writers said the accusations that Prime Minister Jozef Oleksy, a former Communist, had spied for Moscow were prepared by senior agents who had served in intelligence agencies during the Communist era.

These agents, using Communist-style techniques of innuendo, had merely switched allegiance from their former Communist bosses to Lech Walesa, the icon of anti-communism and the first democratically elected president in Poland, the writers said.

The allegations that Mr. Oleksy had improper relations with a KGB agent for more than decade were made public last month under the auspices of Mr. Walesa, who was defeated in presidential elections in November by a former Communist, Aleksander Kwasniewski.

The lengthy letter by Jacek Kuron and Karol Modzelewski, both senior members of the Solidarity movement that was led by Mr. Walesa in the 1980s, amounted to a stinging indictment of the tactics of Poland's democratic politicians.

The two wrote that politicians from the former Solidarity camp who are now in parliamentary opposition to Mr. Oleksy were itching to get Mr. Oleksy out of office by using methods unacceptable in a democratic society.

Those means included the spreading of charges of espionage based on materials that were unlikely to stand up in court. The writers said they did not rule out the possibility that the allegations against Mr. Oleksy were fabricated by intelligence agents trained in the Communist system but still holding their jobs today.

All the same, the writers stressed that for Poland to meet democratic standards, Mr. Oleksy must resign.

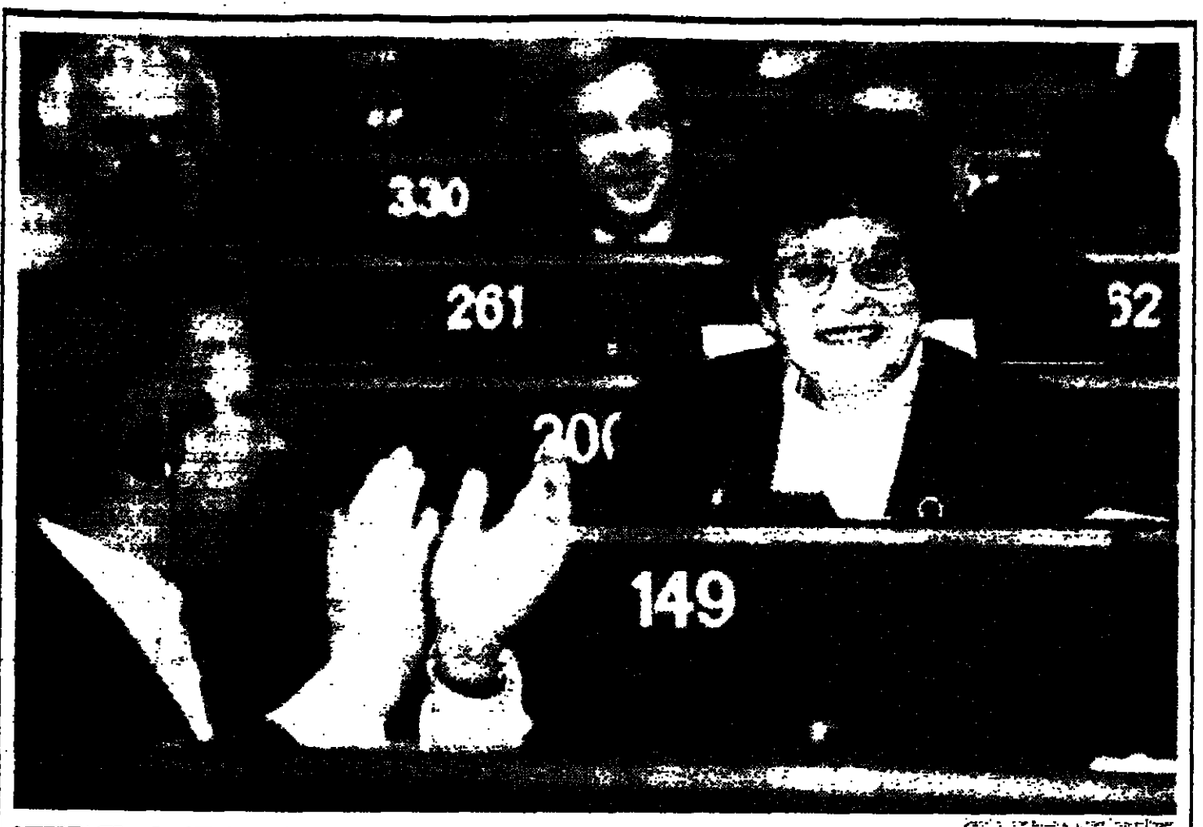
"In a democratic state, a man suspected by a significant percentage of citizens of intelligence contacts with foreign services cannot stay on as prime minister," the letter said. "Josef Oleksy must go, and the sooner the Democratic Left Alliance realizes this, the better."

The letter, published in Warsaw's biggest circulation newspaper, Gazeta Wyborcza, which has been leading the charge against Mr. Oleksy, has added more fury to the political storm that has enveloped Poland in the last month.

Because the writers were the longest serving political prisoners during Communist rule — Mr. Kuron served a total of more than 10 years and Mr. Modzelewski served eight years — the letter is freighted with resonance in Poland.

The writers also said that the same secret agent who fabricated evidence against them in the early 1980s worked on compiling the case against Mr. Oleksy, and that he was among four agents promoted by Mr. Walesa in his last days in office.

— JANE PERLEZ



NEW FACE — Leni Fischer of Germany after being named president of the Council of Europe's assembly on Monday.

U.S. Seeks Action on Treaty

Lobbyists Push Nuclear Test Ban

By Barbara Crossette
New York Times Service

The Clinton administration has sent its top arms-control officials to foreign capitals in recent weeks to lobby for quick action on a treaty to ban all nuclear testing.

Debate on the treaty, which begins Tuesday in Geneva, could be delayed or prolonged by an effort led by India to link the test ban to a schedule for the elimination of all nuclear weapons.

Members of the United Nations, including the five acknowledged nuclear powers — the United States, Britain, China, France and Russia — pledged last year to complete the accord, known as the Comprehensive Test Ban Treaty, this year. But presidential polls in Russia and the United States and a national election in India could complicate that task.

President Bill Clinton is pressing to have a final document, written by April, with passage by early summer, said John Holum, director of the Arms Control and Disarmament Agency. He said the Conference on Disarmament, meeting at the United Nations' European headquarters, has the "daunting task" of resolving 1,200 points of dispute in a draft now being circulated.

"Fortunately," he said, "they sort themselves out into relatively few political issues."

India, which tested a nuclear device in 1974 and never signed the pact banning the spread of nuclear arms, is believed by U.S. officials and independent arms-control experts to have assembled a secret stock of weapons.

Intelligence information shows that India appears to be preparing for another nuclear test, according to Michael Krepon, president of the Henry L. Stimson Center, an independent arms and security research organization in Washington. India has denied that it intends to conduct such a test, and Mr. Holum said last week that the Clinton administration accepts India's denials.

Pakistan and Israel are also assumed to have nuclear arms, or to be able to assemble them, and neither has signed the accord banning the spread of nuclear weapons. China and France have each set off nuclear test explosions over the last year, but both are committed to signing the test ban treaty.

A group of developing nations, which still calls itself "nonaligned" in the language of the Cold War, is divided over pressing now for setting a deadline on eliminating nuclear weapons. Indonesia and Mexico appear to favor concentrating on the test ban first, as do many other nations.

Of the five declared nuclear powers only China wants the treaty to allow "peaceful" nuclear explosions for test or development purposes.

Yeltsin Inches Closer To Saying He'll Run

The Associated Press

MOSCOW — President Boris N. Yeltsin gave his strongest indication yet Monday that he would seek re-election in June, saying he would "probably" do so.

Mr. Yeltsin has acted like a candidate since returning to the Kremlin following a two-month absence caused by heart trouble. He told the Interfax news agency that he would announce a final decision next month on whether to seek a second five-year term.

"I will probably agree to run in the presidential elections," Interfax quoted him as saying. "I am saying 'probably' because I am going to announce my final decision between Feb. 13 and 15." He acknowledged that winning a second term would not be easy. "I realize if I agree the struggle will be tough, not simple," he reportedly said during a meeting with foreign investors.

Muslim Leader Slain By Tajikistan Gunmen

Agence France-Presse

DUSHANBE, Tajikistan — Unidentified gunmen shot and killed Tajikistan's Muslim leader, Mufti Fatkhullo Sharifzoda, his wife and other family members at their home near the capital, Dushanbe, officials said Monday.

The killing, which took place at the start of the Muslim holy month of Ramadan, was "a heinous crime aimed at destabilizing Tajik society and violating all the rules of Islam," said President Imoli Rakhmonov.

The Foreign Ministry said the mufti, 53, was killed Sunday at his home in the village of Lantakhorak, 25 kilometers (15 miles) southwest of Dushanbe. The mufti's wife, son, daughter-in-law and one of his religious pupils also were killed.The mufti, appointed to his post in 1992, was a supporter of Mr. Rakhmonov's neo-Communist government and its peace initiatives.

The spokesman for the Foreign Ministry in this central Asian republic, Igor Sattarov said the attack was "a political murder, because the mufti always supported government policy on peace and stability."

Negotiations between the neo-Communist authorities in Tajikistan and the Islamic opposition were suspended in late December after months of deadlock.

The Islamic political forces, now based in Afghanistan, were removed from power in 1992 by Mr. Rakhmonov's forces after a civil war left 50,000 people dead.

Language Police Get Scent

Reuters

PARIS — A beauty products store in the Alpine town of Chambéry has become the first shop in France to be fined under a law aimed at stemming the flood of franglais into the French language, the police said.

The Body Shop, a French branch of a British chain, was fined 1,000 francs ($200) by a local court for failing to translate instructions on some its product labels into French, a Chambéry official said.

The law, adopted in July 1994, requires that product labels, instruction booklets, advertisements and public signs either be in French or translated if originally in another language.

Under the law, individual offenders face fines of up to 5,000 francs and companies may be fined up to 25,000 francs.

Chechens Offer Swap Of Abducted Workers

The Associated Press

GROZNY, Russia — Chechen rebels on Monday offered to exchange 29 abducted power-plant workers for rebel fighters captured by Russian troops during last week's fighting, news reports said.

The rebels were also still holding dozens of hostages taken in the Jan. 9 raid that set off the recent crisis, and they reaffirmed their plans to release most of them Tuesday.

Rebels have never claimed to be holding the workers seized last Tuesday in Grozny, the Chechen capital, while rebel gunmen were battling federal troops in Pervomayskoye, a village in the Dagestan republic just across the Chechen border.

But the Interfax news agency reported Monday that officials had made contact with the abductors, who were loyal to rebel leader, Dzhokar Dudayev.

The rebels proposed exchanging the workers for about 30 guerrillas captured by the Russians at Pervomayskoye, Interfax said, quoting officials of the Moscow-backed Chechen government and the power company.

The electrical plant workers, split into groups of two or three, were being held in mountain villages, according to the rebels.

They were "alive and well," said the Chechen government spokesman, Ruslan Martagov.

BRIEFLY EUROPE

EU Sets Humanitarian Aid

BRUSSELS — The European Commission agreed Monday to put nearly 3 million European currency units ($3.75 million) into a range of humanitarian aid projects in Eastern and Central Europe.

By far the biggest single item was 2 million Ecus to support the continued monitoring and treatment of victims in Belarus, the Russian Federation and Ukraine of the 1985 Chernobyl nuclear disaster.

The Commission earmarked a further 500,000 Ecus for food and medical aid for orphans, the sick, disabled and the aged living in institutions in Romania. *(Reuters)*

Milan Hearing for Designers

MILAN — The trial of five top Milan fashion designers on charges of corruption is likely to be adjourned again when it restarts Tuesday after a two-month break, judicial sources said Monday.

Giorgio Armani, Gianfranco Ferré, Krizia, Gianni Versace's brother Santo, and Girolamo Etro, head of a fabric design house, are accused of bribing tax inspectors.

The sources said the hearing Tuesday would simply set a date for the next session. *(Reuters)*

U.S. to List Arsenals in Austria

VIENNA — The United States will give Austria details about secret U.S. arsenals hidden in the countryside more than 40 years ago in case of a Soviet attack, the U.S. ambassador, Swanee Hunt, said Monday.

A former resistance fighter, Fritz Molden, told Austrian radio that Leopold Figl, chancellor from 1945 to 1953, and top figures in his governments had known about the 79 clandestine depots and had initiated the operation.

Ambassador Hunt said: "My knowledge is that the Austrian government was never officially informed. That's an important distinction from saying that no Austrian knew about it." *(Reuters)*

Religion Divides English Town

LONDON — Officials in northern England said that Monday they were trying to settle a dispute over the teaching of religious education that has prompted Muslim parents in one town to withdraw 1,500 children from divinity lessons.

Leaders of the Muslim community in the Yorkshire town of Batley, in an area where there is a large immigrant population, say the lessons focused too much on Christianity and could interfere with parents' effort to instill a sense of Islam. *(Reuters)*

Calendar

European Union events scheduled for Tuesday:

BRUSSELS: Prime Minister Tiit Vahi of Estonia meets the Commission president Jacques Santer, Transport Commissioner Neil Kinnock and Hans van den Broek, commissioner for relations with Eastern Europe.

BRUSSELS: Finance Minister Andres Lipstoak of Estonia meets Finance Commissioner Yves-Thibault de Silguy.

BRUSSELS: Mr. Santer and Mr. van den Broek meet the NATO secretary-general Javier Solana Madariaga.

Sources: Agence Europe, AFP

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THE WORLD'S DAILY NEWSPAPER

Palestinian Exiles Begin To Return

Agence France-Presse

AMMAN, Jordan — A leading Palestinian figure, Bassam Abu Sharif, said Monday that he would return to the Gaza Strip on Tuesday for the first time in almost 30 years, with the approval of Israeli authorities.

He said he would travel to the Gaza Strip for the first time since 1967 to take part in meetings of the Palestine National Council, the Palestine Liberation Organization's "Parliament-in-exile."

The Israelis have agreed to allow the return of all the 630 members of the council to hold a meeting to annul clauses in the Palestinian charter calling for the destruction of Israel.

Mr. Abu Sharif, who has lived in Jordan for two years, said that "the abolition of the passages in the charter calling for the destruction of Israel is necessary as they no longer have any sense."

He added: "If we are working to create an independent Palestinian state, we must accept the principle of the existence of Israel, our neighbor." He also said he had decided to move back permanently to East Jerusalem, where he was born.

BALLOT: *Arafat and Council*

Continued from Page 1

Turkey and Algeria. "There is no doubt in my mind that Arafat is going to be using the fact that he now has an elected council to strengthen his hand in negotiations with Israelis," Mr. Abington said. "He can claim he has a legitimate elected council which he has to pay attention to, in terms of their opinion, which is something the Israelis have used for years."

There is at least the potential, Mr. Abington said, that the election will also place unaccustomed checks on Mr. Arafat's power.

"I think this is going to be an evolutionary process," Mr. Abington said. "I think there are people who will try to make [the council] a meaningful body."

There are no doubt some legislators who are willing, in principle, to stand up to Mr. Arafat. Several are members of his own Fatah party who ran as independents because he removed them from the party list after they won spots in primary elections.

Salah Tamari, in Bethlehem, won twice the votes as Mr. Arafat's favored candidate there, Daoud Zeir. Asked whether Mr. Arafat had telephoned to congratulate him, Mr. Tamari replied, "No, but I also have yet to phone to congratulate him."

A charismatic figure who now can claim an authentic mandate of his own, Mr. Tamari said in an interview that he would not hesitate to vote against Mr. Arafat on questions about which they disagree, such as the new president's policy of collecting back taxes owed originally to Israel's occupation authority and his use of military courts to try "security offenses."

"I am more Fatah than any of them," he said, speaking of the Arafat-backed party members who won seats.

Those "official" Fatah candidates won a clean majority of the council, more than 50 of 88 seats, in figures still being updated Monday night. Every candidate among the ministers Mr. Arafat appointed to the interim authority that governed since May 1994, including Ahmed Korei, Nabil Shaath, Freih Abu Medein and Saeb Erekat, also won.

But it is not clear that all of the Fatah victors will side with Mr. Arafat on every vote. Some, like Marwan Bargouti of Ramallah, represent the West Bank's home-grown leadership and have long been suspicious of Mr. Arafat. Others, like Emad Falouji of north Gaza, are members of opposition parties whom Mr. Arafat appointed to Fatah slates in an effort to coopt them into the council.

Even so, the predominant view among Palestinian commentators is that a significant challenge to Mr. Arafat's dominance is unlikely.

As allegations of cheating mounted, meanwhile, Palestinian election officials ordered a recount Monday in Gaza City and held up announcement of final results of the weekend voting.

Wade Goddard/Reuters

Italian troops building a sand-bagged post between government and Bosnian Serb soldiers in Sarajevo.

Is Milosevic Tied to War Crimes?

U.S. Spy Agencies Told to Help Hague Tribunal

By James Risen and Jim Mann
Los Angeles Times Service

WASHINGTON — Gradually and quietly, U.S. intelligence circles have begun to investigate the explosive question of whether President Slobodan Milosevic of Serbia was connected to war crimes in Bosnia-Herzegovina.

In the last few months, the Clinton administration has ordered the CIA and other intelligence agencies to increase their cooperation with the Balkans war crimes tribunal in The Hague, where the chief prosecutor, Richard Goldstone, is working his way up the chain of command from those who perpetrated atrocities in Bosnia to their bosses.

Intelligence organizations like the National Security Agency, which monitors telephone communications overseas, have been ordered to pore through records to see if they have any material concerning Mr. Milosevic that should be turned over to the tribunal. American officials say they have not found any conclusive evidence so far, but they made it clear that the internal investigation was continuing.

As U.S. and NATO troops pour into the Balkans to enforce the peace accord hammered out in Dayton, Ohio, with Mr. Milosevic's help, the possibility that the Serbian president may eventually be linked to war crimes looms as a time bomb that could jeopardize U.S. diplomatic gains in the region. Mr. Milosevic's cooperation has been crucial in getting concessions from the Bosnian Serbs, such as the release in December of two captured French pilots.

Administration officials admit that they are worried about the impact of any effort to bring war crimes charges against Mr. Milosevic. Nevertheless, they ordered the intelligence community to turn over whatever evidence is available after Mr. Goldstone complained in November that the United States was not cooperating enough with the International Criminal Tribunal for the Former Yugoslavia, as the tribunal is formally known.

Mr. Goldstone, a respected South African judge, has pursued the investigations vigorously since his appointment by the Security Council in 1994. In effect, the administration concluded that no matter how much an investigation of Mr. Milosevic might harm the Dayton accords, it would be worse in the long run if the United States were accused of ignoring any role he may have had in atrocities.

The United States now has 22 staff members — from the Federal Bureau of Investigation, the Justice Department, the Defense Department and other agencies — working with the tribunal in The Hague, and many more staffers within U.S. intelligence circles in Washington looking for evidence of who was ultimately responsible for war crimes in Bosnia.

American officials say both President Bill Clinton and Secretary of State Warren M. Christopher sent word to intelligence officials late last year that "no one is exempt" from the investigation.

Building a solid legal case against Mr. Milosevic will not be easy, U.S. officials caution. Mr. Milosevic has been extraordinarily cautious in what he says on the telephone or writes to other leaders, according to sources familiar with U.S. intelligence gathered from wiretaps and other means.

Until November, the tribunal's efforts to get help from U.S. intelligence agencies had been stymied by bureaucratic roadblocks, lack of staff help and lack of access to senior officials. American cooperation was essential, because the United States has the most extensive eavesdropping and satellite photo capabilities available.

"If the White House wants to make someone out to be the bad guy, like Saddam Hussein, they can do it," one source said. "In 1995, when they decided Milosevic was being useful, they didn't make him out to be like Saddam Hussein."

But things changed in November after Mr. Goldstone visited Washington to protest the lack of help. The result was that the prosecutor was, for the first time, given direct access to top-level officials.

A spokesman in The Hague said Mr. Goldstone was now "satisfied with the support he is receiving" from Washington.

Bosnia Atrocity Inquiry to Start Soon

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzogovina — War-crimes investigators said Monday that they would soon start work in Bosnia, and a U.S. envoy demanded prisoners be freed as international attention turned to bringing justice to the country as well as peace.

A leader of Serb refugees living in Serb-held areas of Sarajevo said thousands were organizing an exodus by a Jan. 31 deadline rather than live in the city under a Muslim-led government, as the Dayton peace plan demands.

Judge Richard Goldstone, head of the International Tribunal on War Crimes in the former Yugoslavia, said investigators would start work in the field "in the very, very near future" with the help of international peacekeepers.

The South African judge held talks with Admiral Leighton Smith, commander of the NATO-led Implementation Force, and later with Carl Bildt, the top civilian representative in postwar Bosnia.

His visit followed a tour of sites of alleged war atrocities on Serb-held territory on Sunday by John Shattuck, assistant secretary of state for human rights.

Mr. Shattuck told Serbia's president that he had seen "very clear" indications that thousands of Muslim men were slaughtered by Bosnian Serbs near Srebrenica.

Up to 7,000 men may have been massacred by Bosnian Serb forces, Mr. Shattuck said.

He said he had told President Slobodan Milosevic of Serbia that what he had seen "clearly corroborated with the eyewitness testimony of the survivors on mass executions," and added that "to me indicates that evidence that has been compiled so far is very clear of mass executions in the area."

In their meeting in Belgrade, the Serbian capital, he urged Mr. Milosevic to cooperate with the international war-crimes tribunal. Mr. Milosevic, who initially supported the Bosnian Serbs in their land grabs, later became a peacemaker and represented Bosnian Serbs in peace talks.

The Bosnian Serbs' senior political and military leaders have been indicted for war crimes in the July 11 fall of Srebrenica, which was attacked despite its status as a UN safe area.

He said he also discussed "the urgency of releasing all prisoners of war immediately, unilaterally," Mr. Shattuck told reporters in Belgrade before flying back to Sarajevo.

Mr. Milosevic promised he would urge Serbs to release all their prisoners, Mr. Shattuck said.

Mr. Shattuck's trip to Srebrenica came after the lead Bosnian peace negotiator, Assistant Secretary of State Richard Holbrooke, shuttled between Sarajevo and Belgrade late last week trying to avert failure on the accord's first major deadline.

Under the Dayton peace accord, the warring factions were to have released the roughly 900 known prisoners of war by Friday. Only about a quarter of the POWS were released by the deadline after the Bosnian government insisted on information about 20,000 missing Bosnians, including those from Srebrenica.

Mr. Holbrooke's success in clearing passage to Srebrenica for Mr. Shattuck led the Bosnians to release some POWs. *(Reuters, AP)*

Tokyo Homeless Spurn A Short-Lived Luxury

City Builds $2 Million Shelter, But Will Raze It in the Spring

By Mary Jordan
Washington Post Service

TOKYO — Winter has arrived, and the homeless are cold. So the city of Tokyo is busy with its annual solution: Build a $2 million apartment house, then tear it down in two months.

City officials say the homeless problem is growing, but no neighborhood is willing to accept a permanent shelter in its midst. That's why the city will spend about $10,000 a person to give 200 homeless men a couple of warm months.

Even the homeless think this is odd. "We would be staying there only two months," said Tatsuo Fujii, 49, who usually lives in a refrigerator box in a train station. "How can they call that a home?"

Upward of 10,000 homeless people sit huddled in cardboard boxes, under blankets in parks and in tents beneath viaducts, providing a sight of the down-and-out not seen here since just after World War II.

The numbers are said to have doubled in four years, since the economy turned sour and made jobs more scarce. The unemployment rate is still only about 3.4 percent, but that is a record high for postwar Japan.

In a sign of the growing problem, the government started its winter build-and-scrap policy three years ago. Last year, for the first time, it tried to count the number of homeless, arriving at 3,300. Those who feed the street people say that the real number is three times higher and that the government's temporary solutions are based on the wrongheaded hope that the problem will vanish in the warm spring air.

"It is true it costs a lot of money," said Masashi Matsuda, director of a division of the city welfare bureau. "Some people ask, 'Why don't we give that money directly to the people?' "

But Mr. Matsuda said the aim of the shelter, which took a crew of workers a month to build, was "to encourage them to go back to normal life" with the help of counselors, medical care and job placement specialists.

"I've been on skid rows in New York and Chicago, and there are several differences with the homeless here," said Ted Morris, director of the Salvation Army in Japan. Fewer have mental health problems, many are farmers who descended on Tokyo for day labor that did not materialize and, he said, "it's amazing how polite they are."

As Mr. Morris helped feed 400 people in a train station, he ran out of second helpings of rice curry in the middle of a long, hungry line. The next in line told Mr. Morris not to feel bad. "He said, 'No problem.' In America, I might have gotten banged over the head."

Generally, the Japanese homeless do not panhandle. They just sit there, accepting blankets and food if offered.

Three-quarters of the Japanese people consider themselves middle-class and the relatively even distribution of wealth here is a source of national pride. While there are plenty of poor people, Japan has no recent precedent for dealing with the growing strata of people at the very bottom of society.

Nowhere is Japsn's problem more visible than in Shinjuku station, one of the busiest train depots in the world, where 3.5 million commuters a day come and go. In one covered station passageway more than 200 homeless men live in a row of cartons known as Cardboard Alley.

Each box provides enough space for its dweller to lie down and to keep his few belongings. The boxes almost appear to be in neighborhoods, sorted by their owners' habits. Some sections are tidy, even decorated with stuffed animals. In other sections, the boxes are messy and smell bad.

Most of these homeless keep to themselves. But in Sanya, a notorious district of flophouses where day laborers, and now homeless, gather, many are drunk and aggressive. Salvation Army food crews and others stay clear at night.

The 200 people in Cardboard Alley are the ones being asked to move into the new two-story temporary home, with warm bedrooms and spotless baths.

"I don't know anyone who wants to go there," said Hideji Horii, 42, who became homeless in September when he lost his construction job. Even though the site of the temporary home is only four miles (6.5 kilometers) away, Mr. Horii calls it the boondocks. Lights go out at 10 P.M., and alcohol is banned.

The Shinjuku homeless know they have an added problem: The city wants to evict them permanently to install a pedestrian conveyor.

Mr. Horii's hands were bandaged after a skirmish with the police a week ago. According to newspaper accounts, about 50 government officials and 230 security guards showed up to give notice that they wanted to close Cardboard Alley.

"We like it here," Mr. Horii said. "We are not going."

JAPAN: *Big Changes Are Coming, Maybe*

Continued from Page 1

has not been known for his passion for liberalization, and just last year, he helped lead the fight against American demands to deregulate the market for repair of cars.

Polls show that the public strongly supports, in theory, proposals for "economic reform" and "deregulation." But such concepts gather much more opposition when they take specific form: liberalizing the rice market, allowing the spread of supermarkets, and easing curbs on foreign medicines.

Much of the support for Mr. Hashimoto's party, the Liberal Democrats, comes from farmers and small businesses, who have a great deal at stake in maintaining regulations that protect them from lower-cost competitors. In the past, at least, Mr. Hashimoto has never shown enthusiasm for tackling these interests.

One specific proposal that Mr. Hashimoto endorsed — and one that has been gaining ground lately — is the idea of building a new capital city for Japan. The notion is that Tokyo is so congested, with one-quarter of all Japanese living within 40 miles of the Imperial Palace in the center of Tokyo, that the nation would be better off moving the Parliament and some ministries to a newly built capital city.

More than a half-dozen areas are competing for the honor of being chosen as the new capital. But the cost would be huge, and Tokyo officials are opposed, so many Japanese are skeptical.

Mr. Hashimoto also promised in his speech the prompt enactment of a "public information disclosure law," to make it easier for citizens to find out what the government is doing.

Ichiro Ozawa, the leader of the New Frontier Party, the main opposition group, immediately complained that Mr. Hashimoto had not been specific.

"It's quite regrettable that he did not express his exact thinking in his speech," said Mr. Ozawa, who has called for sweeping specific changes that really would amount to a revolution in Japanese life.

Mr. Ozawa will have the opportunity on Wednesday to question Mr. Hashimoto in Parliament.

Mr. Hashimoto went out of his way to emphasize the need for close ties with the United States.

"I wish to reaffirm that Japan-U.S. relations are the most important bilateral relationship, not only for Japan but for the world at large," he declared.

He said he intended to "firmly maintain" the security relationship with Washington, but he also called for a reduction in the American military presence, on the southern island of Okinawa.

The rape of a 12-year-old Okinawan girl in September, allegedly by three American servicemen, has prompted a wave of protest on Okinawa against the American bases there.

Mr. Hashimoto is said to be pushing for some reductions in the presence there — presumably modest ones, such as the transfer of artillery practice to other places in Japan — by the time that President Bill Clinton arrives in Tokyo in April for a state visit.

POLAND: *Ticklish Situation*

Continued from Page 1

leaders that the scandal was a test of Poland's newly formed democratic institutions. "I have confidence that it won't be a problem," he said.

Details of the espionage accusations have emerged largely through press leaks that have become more sensational by the day.

First, Mr. Walesa's interior minister, Andrzej Milczanowski, told Parliament just before leaving office last month that Mr. Oleksy had contacts with a Russian intelligence agent after becoming speaker of Parliament in 1993. That bombshell, planted by Mr. Walesa to unsettle the former Communists whom he believed stole the presidency from him last year, led to more revelations.

Polish intelligence agents disclosed that they had known for some time that a highly placed Russian agent was working in the top leadership of Mr. Oleksy's party. The agent had the code name "Olin" and turned out to be Mr. Oleksy, the agents said.

The service apparently acquired information on "Olin" by using Marian W. Zacharski, a Pole who in 1981 was sentenced to life imprisonment in the United States for stealing information about missile and radar technology.

Mr. Zacharski returned to Poland in a 1985 spy swap and rejoined the secret services. He said he went to Majorca, Spain, last year to meet Colonel Alganov, where, Mr. Zacharski said, blandishments of beautiful women and alcohol and threats to reveal unsavory personal information induced Colonel Alganov to disclose what he knew of Mr. Oleksy.

For the opposition, the spying allegations have provided a field day. But the opposition is fractured, and its popular support is weak. Recent polls showed that the scandal has done surprisingly little damage to the governing party.

EUROPE: *Delors Calls Maastricht Into Doubt*

Continued from Page 1

chairman of the bank for the past decade.

The banker, while insisting that it was not just France but also Germany and Belgium that would fail to meet the Maastricht criteria on time, accused political leaders of "an immense ambiguity" by suggesting the single currency timetable could be kept.

Mr. Viénot's remarks came just as Jean-Claude Trichet, governor of the Bank of France, made optimistic remarks about the timetable.

Despite widespread skepticism, Mr. Trichet said in an interview with Les Echos, a financial newspaper, that "I am confident France and Germany, which are the most likely pillars of monetary union, will satisfy the Maastricht criteria on time."

In his interview with La Tribune Desfossés, Mr. Viénot said the launching of the Euro, as the single currency has been named, would be "highly improbable" by January 1999.

■ Attack on Joblessness

Tom Buerkle of the International Herald Tribune reported from Brussels:

European Union finance ministers called Monday for renewed efforts to reduce the bloc's double-digit unemployment rate, saying fresh measures were needed to restore confidence among consumers and businesses and to shore up the credibility of their plan to create a single currency.

The appeals reflected the political urgency of responding to Europe's recent slowdown in growth rather than any fundamental change in economic policy, however.

Ministers reaffirmed the policy behind the Maastricht treaty plan for a single currency, claiming that further reductions in government deficits were a necessary condition for lower interest rates and stronger growth.

But they stressed that spending cuts must be accompanied by more flexible labor rules, deregulation and other structural measures that European governments have promised but failed to deliver over the past three years.

"It isn't Maastricht which is jeopardizing growth and employment," said Jürgen Stark, Germany's secretary of state for finance. But, he added, "we have to look beyond Maastricht if we want to be credible."

The ministers also echoed the conclusions of the Group of Seven finance ministers over the weekend, calling the current slump a temporary pause and predicting a rebound in the second half.

Mr. Stark, meanwhile, said Germany rejected the view of Lawrence Summers, the U.S. deputy Treasury secretary, who said in an interview in the International Herald Tribune over the weekend that Europe was running the risk of deflation.

Tanzania Shuts Border, Barring 17,000 Hutu

Reuters

NAIROBI — The Tanzanian Army has shut the border with Burundi, turning back 17,000 Rwandan Hutu refugees fleeing ethnic violence, a senior aid official said Monday.

Seamus Dunne, head of the International Federation of the Red Cross and Red Crescent Societies at Ngara camp in Tanzania, said the border was sealed overnight. More than 14,000 Hutu refugees crossed into Tanzania from Burundi last week.

■ Banker Chooses Exile

The governor of the Rwanda central bank, a Hutu, has fled to Belgium, warning of worsening insecurity for his people, Reuters reported from Kigali.

Rwanda's government confirmed the defection of Gérard Nyetegeka.

After Protests, Bahrain Arrests 8 Shiite Leaders

Compiled by Our Staff From Dispatches

MANAMA, Bahrain — The government of Bahrain said Monday that it had arrested eight Shiite Muslim opposition leaders accused of fanning anti-government protests, the state-owned television reported.

It said the arrest of Abdul Amir Jamri and seven others was aimed at foiling a foreign-backed plot to destabilize the country and damage private and public property.

The announcement of the arrests followed stone-throwing that smashed windows at foreign housing compounds, despite increased security aimed at quelling new political unrest, diplomats and residents said.

Several compounds housing Indians, Pakistanis and Europeans were targeted by unknown assailants late Sunday.

"I'm afraid to go out at night," a German woman said. "I'm afraid there will be problems, people throwing stones."

The U.S. and British embassies issued advisories to their nationals, urging them to exercise caution.

During a three-day wave of unrest in the Gulf island state, protesters clashed with the police, started fires at schools, burned homes and cars and blew up gas cylinders.

An official Saudi newspaper blamed Iran for fomenting political unrest in Bahrain and said tension in the region would continue as long as Tehran based its policy on "terrorism."

But Iran's newspapers dismissed accusations of its involvement as an old plot to externalize domestic problems and justify the U.S. military presence in the region.

(AFP, AP, Reuters)

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multilingualism in Europe

LEARNING FOR FUN AND PROFIT

Universities combine languages and job skills.

Cutbacks in public-sector spending and the uncertainties of today's job market are forcing students and teaching institutions to reassess degree courses in foreign languages. Literature-based teaching that groomed students for an academic career is losing some of its appeal in favor of applied language instruction that can help graduates onto the first rung of a business career ladder.

France is one of the countries where this approach is being most vigorously followed. Both public-sector universities and business schools attached to chambers of commerce offer courses that combine instruction in foreign languages with subjects such as law, economics, foreign trade and marketing. The Ecole des Praticiens du Commerce International (épeci) provides one characteristic example.

"We offer a four-year degree course that combines language learning with business studies," explains David Lansley, épeci's language director. "Language teaching as such takes up some 30 percent of the time, and in the third and fourth years some business subjects are taught in English."

The school has exchange arrangements with universities in Britain, Germany, the Netherlands and the United States, and all students spend part of their course time at one of these. English is compulsory, and students study one other language.

In Britain, says Graham Till of The Training Store in Maidenhead, Britain, "there is a big move toward courses that link language learning with subjects such as the sciences and engineering."

Language teaching at Spanish universities still follows traditional lines. However, the Spanish government runs a network of language schools to provide adults outside the university system with subsidized access to language training.

In Italy, "there is some movement towards a career-oriented approach" to university-level language learning, says an official with the Italian cultural office in Paris. Degree courses in subjects such as political science include an applied language element.

"German students can combine languages and more job-oriented subjects such as economics and computer science," says Thomas Schmidt-Dörr of the Deutscher Akademischer Austauschdienst in Paris.

Language teaching at an early age is also the policy in the Netherlands. Dutch children learn English as a matter of course at school, and employers usually look for another language such as German, French or Spanish.

EUROPEANS RESIST MONOLINGUALISM

The European Union encourages its member countries to preserve their linguistic diversity.

The European Union may be moving toward greater economic and political integration, and English may have emerged as the universal language of global business, yet the people of Europe show a stubborn resistance to any idea of standardizing the many different ways in which they speak. If anything, the trend toward reviving the use of local and regional tongues shows a movement in the opposite direction.

"A couple of years back, everyone thought that German would become Eastern Europe's lingua franca," comments Mark Trier of the Language Solutions, based in London. "This has not happened, though, and people doing business in countries like the Czech Republic, Poland and Hungary are finding it necessary to come to grips with the local tongues."

In Western Europe, EU authorities encourage multilingualism and the preservation of language differences in much the same way that biologists and environmentalists urge the fostering of biodiversity.

EU initiatives

To this end, the EU has launched several language programs. One of the most important is the LINGUA project, which was launched in 1989 with a budget of some 153 million ECU ($199.7 million) over an initial five-year period. Its aims included improving language teaching across the EU and encouraging the use of minority languages. Two subsequent educational programs – Socrates and Leonardo – supplemented the LINGUA scheme.

"A further program called Ariane aimed to translate books into minority languages," comments a European Commission official in Brussels. "This was fiercely opposed on budgetary and lack-of-need grounds by Britain, and to a lesser extent by Germany. Accordingly, the program is currently on the back burner."

The EU institutions themselves work in eleven different languages. For major events such as sessions of the European Parliament, all 11 are employed, with simultaneous interpretation into each language.

For most internal communications, the European Commission works primarily in English and French, though German is also now used increasingly for working documents. Commission officials have to master at least two of the eleven EU languages, including either English or French.

Business generated

If language diversity adds value to European discourse, it also adds costs for companies operating across frontiers in much the same way that the continued existence of different national currencies generates exchange expenditures. Also, just as banks charge commissions for changing currency, so some business sectors profit from the proliferation of tongues.

According to EU data, Europe makes use of nearly 200,000 translators in a market estimated to be worth around 14 billion ECU. Moreover, some estimates suggest that the annual cost of adapting software to local market requirements in Europe could be around 3 trillion ECU. Language training, cultural events, and tourism are also affected.

"With the completion of the single internal market, even small companies that think of themselves as domestic operators are finding it necessary to acquire language skills," comments Graham Till of The Training Store, a business educational products specialist based in Maidenhead, Britain.

TOTAL IMMERSION FOR MANAGERS

Studying in the new destination is a good idea.

"If our experience is anything to go by, 70 percent to 80 percent of executives posted abroad do not speak the languages of the country they are going to," says Mark Trier of Language Solutions in London. "Often, they have as little as a month's notice before they leave."

Short, intensive courses for such executives can be very useful.

"Our courses are delivered through our offices in Europe, the United States and Japan," says Christophe Libilbehety of Linguarama France. "When an executive needs to learn a language quickly, we can often send him or her to one of our own schools in the new destination."

Companies and public bodies in emerging markets often find it useful to send managers on courses that combine language instruction with a primer in business practice. "We are organizing a two-week course for managers with the Russian state electricity company," says Mohamed Djeddour, director of the language center at Manchester Business School in Britain.

Graham Till of The Training Store in Maidenhead, Britain, agrees with this approach. "Busy people are reluctant to spend time on language learning in a vacuum."

Jean Colbert of the Institut de Français in Villefrance-sur-Mer emphasizes the importance of providing students with immersion in the language and culture. "Our courses run full-time, five days a week, for two to four weeks. We integrate individual teaching, audiovisual classroom and lab work, discussion-lunches, and practical sessions."

Teachers say that companies often have unrealistic expectations about how much a beginner can learn quickly. "Particularly with a non-European language, the most we can do is to make the student aware of some basic linguistic patterns and cultural background," says Mr. Libilbehety.

Mr. Trier believes in sending people on courses in the countries or region in which they will have to work. This provides a more intensive experience since they are not going home to their native language environment.

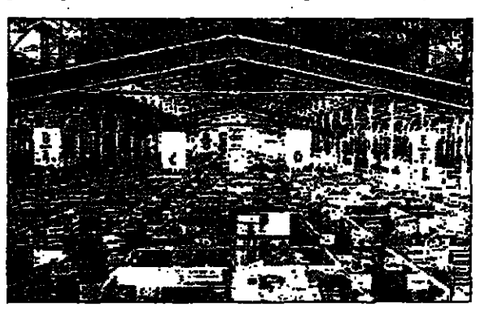
"MULTILINGUALISM IN EUROPE"
was produced in its entirety by the Advertising Department of the International Herald Tribune.
WRITER: *Michael Rowe, based in France.*
PROGRAM DIRECTOR: *Bill Mahder.*

EXPOLANGUES, A LANGUAGE FESTIVAL

Turkey, the honored country this year, will showcase its unique literature, culture and history.

Celebrating the rich diversity of the world's languages and cultures is at the heart of an exhibition held each year in Paris.

The 14th annual Expolangues, to take place from February 15 to 19 at the Grande Halle de la Villette, will feature a presentation of music, dance and theater from around the world, as well as the latest multimedia techniques for linguists, teachers and translators. The fair will also provide a meeting place for people in multilingual businesses.



Following a tradition of nominating a different country to be guest of honor each year, Expolangues '96 is spotlighting Turkey. Visitors will be exposed to the language, literature traditions and tremendous development potential of this strategically placed country at the crossroads of Europe and Asia.

Expolangues also caters to those who like to combine travel with language learning. Specialists will provide documentation and advice.

This year, a new area has been designed for international businesses that want to meet potential partners and make themselves better known.

Some 350 exhibitors will be on site to educate and entertain an estimated 40,000 visitors.

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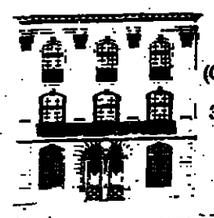

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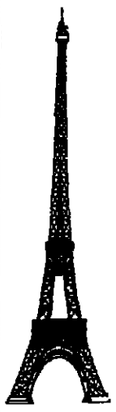

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EDITORIALS/OPINION

Herald Tribune INTERNATIONAL
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

New Palestinian Order

Another Milestone

Saturday's elections for a Palestinian president and a legislative council marked another milestone toward peaceful coexistence between self-governing Israeli and Palestinian communities. The voting extended the evolution of the Palestine Liberation Organization from a guerrilla movement to an elected party of government and conferred a mandate of democratic legitimacy on the PLO's longtime leader, Yasser Arafat.

Mr. Arafat's election as president of the Interim Self-Government was a foregone conclusion. Facing only token opposition, he drew 88 percent of the vote. The legislative contests were more interesting. Nearly 700 candidates ran for the 88 seats, seven of which were reserved for members of the minority Christian and Samaritan communities.

Turnout was encouragingly high, even though the Islamic Hamas movement and radical secular groups boycotted the elections to protest Mr. Arafat's compromises with Israel over territory and security arrangements. But some of their members ran as independents, as did PLO activists denied official endorsement. Other independents included figures like Hanan Ashrawi, the main Palestinian spokeswoman during the Madrid and Washington peace talks, who was elected from East Jerusalem.

Incomplete results suggested that a significant number of these independents were elected. If these and other legislators take their responsibilities seriously, they could provide a democratic check on Mr. Arafat's previously unchallenged, and frequently abused, authority.

The council's powers include deciding on legislation, passing on the budget and overseeing government performance. If the council were to vote no confidence in Mr. Arafat's government, the cabinet would have to resign.

Palestinians see the elections as bringing them closer to having their own state. Israel's Labor government insists that self-rule will not necessarily lead to statehood. It is fair to say that the elections make the prospect of eventual statehood seem more realistic, a point not lost on militant right-wing Jewish settlers.

For the most part these settlers did not follow through on their threats to disrupt the elections. A large Israeli military presence may have kept the settlers in line. But in East Jerusalem, Israeli security measures appeared to intimidate Palestinians from voting. After complaints from international election observers, security was eased.

Despite the East Jerusalem tensions, and an assortment of problems at local polling stations, outside observers expressed general satisfaction with the elections' conduct.

Israel can best serve its own interest by encouraging the democratic political development of the Palestinian community. If the mature voices of village elders, shopkeepers, doctors and lawyers can now be heard over the shouting of restless young men from the refugee camps, political arguments may gradually shift from the angry streets to the peaceful electoral arena and the overall level of violence may decrease.

America has an interest in helping the self-rule government get established economically and politically. But Washington need not restrain its criticisms of any major security lapses or human rights abuses. The line between restraining terrorism and respecting human rights can be difficult to maintain, but Washington must insist that the Palestinian government do so on the West Bank and in Gaza.

The path has been bumpy and the timetable frequently set back, but the peace agreement with the PLO has now been realized to an extent that skeptics once considered impossible. These elections bring both sides closer still to the ultimate goal of two self-governed communities living together in peace.

—THE NEW YORK TIMES.

A Major Success

The Palestinian elections in the West Bank and Gaza were a major success. The reported instances of funny business, including Israeli pressure to limit voting in Arab East Jerusalem, did not keep the vote from being the most democratic Arab poll anywhere ever. The turnout surpassed even the rosiest predictions and itself constituted a vote of confidence in the political process, notwithstanding an announced Islamic boycott.

Nationalist leader Yasser Arafat, running without real opposition, swept to a landslide victory. He becomes chairman of a new Palestinian self-rule council — a historic first that puts Palestinians closer than they have ever been to establishing a state of their own. His Fatah movement appears to have dominated voting for an 88-member legislature covering two-thirds of the land and virtually every Palestinian resident — but not the Israeli settlements — of the West Bank and Gaza.

A tension rests at the heart of this effort to extend the limited Gaza-Jericho autonomy regime to the whole Arab-populated West Bank. The first Israeli purpose is to strengthen Yasser Arafat as a partner and not only to be able to put into effect the autonomy terms already negotiated. Israelis also want him to be able to negotiate the tough remaining questions of a full Israeli-Palestinian peace — refugees, boundaries, settlements, Jerusalem. Security for its own citizens is necessarily an Israeli preoccupation. Israelis count on Mr. Arafat to do his part in this hard task.

Still, a considerable part of the Palestinian public has more in mind than being "liberated" from Israeli military occupation, however desired that goal. That segment of Palestinians is determined to build a Palestinian democracy as well as a Palestinian state. It is a worthy and necessary aspiration, and it needs to be supported internationally. Close scrutiny of Palestinian governance is a priority. The Middle East does not need another only semi-legitimate Arab regime.

The voting was part of a package that also has seen the removal or "redeployment" of Israeli forces out of most of the places where Arabs live in the West Bank. In that sense the occupation is now all but over. But much hard work for the parties lies ahead.

Prime Minister Shimon Peres at once invited all members of the Palestinians' "Parliament in exile," the Palestine National Council, including Israel's die-hard foes, to return to the West Bank or Gaza. His purpose is to enable the council to join with the newly elected legislature finally to undo the parts of the Palestinian national charter anathematizing Israel. It is a purpose that Yasser Arafat has accepted but has been unable to fulfill so far. It is a difficult test but a minimal requirement for the new Palestinian political order.

—THE WASHINGTON POST.

Wanted, a Leader to Rein In Military Spending

By Anthony Lewis

BOSTON — The debate about how to balance the U.S. budget is distorted by a singular phenomenon. Both sides, president and congressional Republicans, treat as untouchable one of the biggest spending areas: defense.

At around $265 billion, defense accounts for nearly half of what is called discretionary federal spending. Congress and the president are doing all their cutting in the other half — domestic and international programs.

Military spending has not been made sacrosanct because it is unchallengeable in policy terms. Nor can anyone believe that fraud and waste are unknown there. The reasons for excluding the Pentagon and defense contractors from the budget exercise are in fact political.

The United States now accounts for 37 percent of the world's annual military spending. It spent more in 1995, discounted for inflation, than at the peak of the Cold War in 1980. Why? The policy answer, formulated in the Clinton administration, is that America must be able to fight two major regional wars simultaneously. But even on that premise it does not follow that it needs such huge forces and massive spending on weapons systems.

So Lawrence Korb, who was assistant secretary of defense in the Reagan administration, showed in a devastating analysis in the November-December issue of Foreign Affairs.

For example, Mr. Korb noted, the Pentagon figured that it would take 400,000 U.S. troops to counter a North Korean invasion of South Korea. That is more than were deployed in the Korean War, when the North was supported by Chinese forces. Moreover, South Korea's army has grown from nothing to a professional force of 650,000. The Pentagon's estimated requirement is grossly inflated.

As for waste, the amount is literally incalculable. That is because financial managers in the Defense Department cannot produce auditable books. The director of its accounting service so testified to a congressional committee in November. Senator Charles Grassley, Republican of Iowa, said last March that the Pentagon had $33 billion in "problem disbursements."

The finagling of figures threatens something worse than unauditable accounts. The services are embarked on enormous acquisitions of weapons, and before long the costs are going to run way beyond what budget forecasts have calculated. Franklin Spinney, a defense analyst who has irritated the Pentagon for years with his candor, describes the situation as a "time bomb being fueled by the Pentagon's corrupt budget numbers." The bomb, he says, will explode "early in the next century."

Why have both Congress and the White House been so lavish with the Defense Department, and so inattentive to inflated requirements and waste? The first answer is that looking "tough" on defense is regarded as good politics — even after the fall of the Soviet Union, the great adversary whose menace led the United States to build up its forces after 1950.

But an even stronger factor has developed in recent years: the belief, encouraged by arms manufacturers, that cutting military spending will cost jobs. Mr. Korb said: "Both the administration and Congress increasingly view defense as a federal jobs program. Weapons programs like the B-2 bomber, the Seawolf submarine and the V-22 Osprey, designed to combat the Soviet threat, live on because of the temporary economic problems that taking them out of production would cause."

The B-2 is an extreme case. After 14 years of work on it, the so-called Stealth bomber still fails crucial tests. Its radar cannot distinguish a mountain from rain. Yet Congress has just voted to buy more at $2.2 billion a plane, and President Bill Clinton agreed. The House Budget Committee chairman, John Kasich, made a big effort to stop the increase but was beaten by members who wanted work to continue in their districts.

Weapons make-work is a highly inefficient way to provide jobs. It will go on until America has leadership courageous enough to take on the politics of defense. It will probably take an Eisenhower — a president who knows the military and who cannot be attacked as soft on defense.

The New York Times.

Don't Hold Your Breath Waiting for Japan to Change Its Role

By Roger Buckley

TOKYO — Until there is far greater clarity on the political scene, it is difficult to imagine Japan being either willing or able to take a great leap forward in its dealings with the rest of the world.

The first requirement has to be a solution to the present political games of musical chairs.

The appointment of Liberal Democratic Party boss Ryutaro Hashimoto as the new prime minister hardly helps this process along. Mr. Hashimoto is the fifth prime minister since November 1991 and seems unlikely to be any more durable than his immediate predecessors. All he can set his sights on is trying to stay in office for a decent interval before calling a general election.

The difficulty of keeping his coalition of conservatives, socialists and middle-of-the-road reformers in harness is unlikely to leave Mr. Hashimoto with many opportunities to look beyond the shores of Japan.

His first priority is to solve the financial mess he inherited from his socialist predecessor Tomiichi Murayama. The Hashimoto cabinet faces public anger over the way in which politicians and bureaucrats handled collapsed housing loan corporations.

The huge sums of public money required to bail out the seven bankrupt firms and recent revelations that the same Ministry of Finance that was entrusted with supervising the companies had its retired officials running the disgraced businesses is guaranteed to ignite a political firestorm.

If this was not a large enough headache, Mr. Hashimoto still has to cope with another piece of unfinished business over the Okinawa question. The Japanese government is clearly caught between the anger of the people of Okinawa at the behavior of several U.S. servicemen on trial for the alleged rape of a young girl, and the wish to retain security ties with the United States.

Any resolution of the Okinawa bases issue is likely to be piecemeal. Mr. Murayama's resignation may lead to greater rapport between U.S. and Japanese officials, paving the way for a gradual transfer of some base facilities from Okinawa to the Japanese home islands, provided that local communities there can be persuaded to accept American forces in their vicinity.

Public reservations over the presence of foreign troops have a long history. They stretch back to the unequal treaties that followed Commodore Perry's opening up of the country in the mid-19th century.

Yet for all the criticism leveled at the behavior of some U.S. servicemen, there are few signs that the Japanese government or people want to cut their close security ties with the United States. The Cold War and the Soviet threat may have ended, but Japan knows that a continued U.S. military presence helps to balance China's rising power and reassure Asian nations that suffered under Japanese occupation before and during World War II that Tokyo will not again take the expansionist path.

The visit to Japan by President Bill Clinton in April will be designed to give such reassurance both to the Japanese and to their neighbors. It will emphasize the closeness and healthy nature of U.S.-Japanese security and economic ties.

The present political turmoil in Japanese politics will probably take years to work itself out, possibly through the emergence of a two-party system. Until such a realignment occurs, it is unrealistic to expect any major transformation of the country. For now, Japan has its hands full in straightening out its financial and economic problems.

Foreign policy changes are likely to be marginal until a new government with a clear mandate from the electorate takes office. That could be later rather than sooner.

The writer, who teaches history at the International Christian University in Tokyo, contributed this comment to the International Herald Tribune.

Young Girls in Supply, and the Demand Seems Limitless

By Bob Herbert

NEW YORK — "Sometimes you just have to swallow hard and drink another gin," said the teenage prostitute in Bangkok. "I couldn't get through some nights unless I was drunk."

It is possible but not easy to imagine lives more hideous than those of the generations of children who are fed like cheap fuel into Thailand's flourishing sex industry. In some Thai villages, girls are dragged out of school as early as age 10 and taken to the brothels of Bangkok and other centers of the sex trade.

"At 10, you are a woman," according to a popular saying in Bangkok's red-light district. "At 20, you are an old woman. At 30, you are dead."

The demand for the young girls seems limitless. Each year tens of thousands of sex tourists from Germany alone visit Thailand, according to the international children's advocacy group Terre des Hommes. About 10 percent of the German sex tourists engage in sex with minors, the group said.

The traffic in very young girls has been accelerated by the mistaken but widespread belief that they are less likely to be infected with the AIDS virus.

"How would you like to marry a 14-year-old Asian virgin?" asks a brochure put out by Peter Stanton of PVS Publications in Santa Monica, California. Mr. Stanton offers a travel guide to the sexual resorts of Southeast Asia and personalized "Sex Tours to Thailand." His brochure asks, "Did you know you can actually buy a virgin girl for as little as $200?"

Andrew Vachss is a lawyer and writer from New York whose career is devoted to fighting the exploitation of children. His latest novel is "Batman: The Ultimate Evil," in which the caped crusader goes to war against the child sex industry in the fictional country of Udon Khai. Udon Khai is Thailand.

Mr. Vachss, whose wife, Alice, is a former sex crimes prosecutor for the Queens, New York, district attorney's office, believes that not enough voices have been raised against the enforced prostitution of hundreds of thousands of children in Southeast Asia.

"Certainly Thailand is not the only country," he said, "but it is the international symbol of this problem. It has been a pedophile's paradise at least since Vietnam. It's a place where children are disposable, like Kleenex."

Mr. Vachss has earned the enmity of the Thai government by insisting that it has condoned the exploitation of its children and by co-founding an organization called Don't! Buy! Thai!, which is calling for a complete boycott of goods made in Thailand.

In a letter denouncing the boycott, Akrasid Amatayakul, the chargé d'affaires at the Thai Embassy in Washington, told Mr. Vachss that "a horrendous problem of this magnitude must take time to solve."

In an appendix to Mr. Vachss's novel, the journalist David Hechler homes in on the grim reality of the desperately poor children who are lured, tricked and sometimes kidnapped into the sex trades: "Many are from small villages far from Bangkok — so many, in fact, that some entire villages are devoid of young girls ... Once they are warehoused in the brothels, the captured children have this in common: Their lives are completely controlled by their 'employers,' who often enforce their will with violence."

Mr. Stanton of PVS Publications indicated in a telephone conversation that increasing attention to the problem of child prostitution in Thailand was having an effect. "It used to be easy to get girls under 18," he said. Now "you have got to be careful because the Thai police don't want any bad publicity, and they don't want any news media going out there and finding any tourists with young girls."

On the tours he arranges, Mr. Stanton said, the client is hooked up with a "private tour guide" in Bangkok. The tour guide introduces the client to girls, who will be over 18, he said. But if the client wants someone younger, he should tell the guide, he said, and she would likely "take you to some of the local Thai brothels."

As for AIDS, Mr. Stanton blithely said there was no need to worry. "There are a lot of researchers now who say HIV is not the cause of AIDS, and HIV is not sexually transmitted."

The New York Times.

Other Comment

With or Without EMU

Only a portion of Europe's high unemployment is caused by sluggish growth and economies operating below their full potential. The main cause is structural, not cyclical, and there is nothing in Maastricht to stop governments from tackling the continent's arthritic labor markets. Most European economies can create more jobs through microeconomic reforms (allowing flexible working hours, reducing minimum wages, slashing taxes on jobs, attacking red tape) than through reflation.

Moreover, even without the Maastricht treaty, European governments would need to borrow less in the long term. If you add their future public pension liabilities to the already gargantuan levels of government debt, Europe's public finances look dire. They need fixing with or without EMU. Indeed, governments are foolish to use EMU as an excuse for cuts that are really needed to correct past overspending. Doing so merely tempts such governments to view budget cuts as an end in themselves, needed for the arbitrary targets of Maastricht, rather than a means of achieving sounder finances. This in turn could encourage the adoption of quick fixes to meet the 3 percent target, in place of budget-cutting measures that are sustainable in the long run.

None of this is written in praise of Maastricht. It is, among other shortcomings, foolish that the treaty sets fiscal criteria in a way that makes no allowance for the strength of economies. But it is not just the dream of a single currency that has blackened Europe's economic outlook. Even if it had 100 currencies, it would urgently need more flexible labor markets, and less government debt.

— The Economist (London).

Now When the Weather Acts Up, You Know Who's to Blame

By Charles Krauthammer

WASHINGTON — I have a theory about the earthquakes, mudslides, brushfires and floods that have lately devastated California. My theory is that these afflictions will not stop until the Menendez brothers have been put away for good.

Now, I know my theory is somewhat antique, indeed fundamentalist. No more fundamentalist, though, than the theory being peddled in the elite media about the higher meaning of the snowstorm that hit the American Northeast. "Blame Global Warming for the Blizzard," declares The New York Times. A sensational Newsweek cover story ups the ante: "Blizzards, Floods & Hurricanes: Blame Global Warming."

Huh?

We have been lectured incessantly on how prideful man is spewing tons of fossil fuel carbon dioxide into the atmosphere causing global warming. We have been told further that this desecration of nature will ultimately wipe out winter, turn Kansas to desert and put Long Island under water.

Now comes the exact opposite climatic event, a monster snowstorm — and that, too, is caused by our sinning against Gaea? Yes, holds the newest variation in environmental scolding. Global warming is now the cause not just of warming, but of all weather "extremes." How? Warming increases water evaporation, adding moisture and energy to the atmosphere, making for more rain and storms — and, mirabile dictu, "more severe droughts" as well.

Huh? Exact opposites again? Yes, writes William Stevens in The New York Times: "in cases where atmospheric circulation conspires to keep rain away from a given area."

So global warming has now become a theory of everything, or at least everything bad: rain, snow, heat, cold, storms, droughts. You name it, we caused it. When anything unpredictable and unwanted occurs — particularly if it occurs near a media center like Washington or New York — we can now blame it on global warming and, by extension, on us.

Is there a primitive religion that can match this one for attributing natural calamity to the transgressions of man — this time around, to man's sins against Mother Earth and her environmental priesthood?

In fact, the historical record directly contradicts the theology. The Harvard astrophysicist Sallie Baliunas points out that in Northern Europe during the last thousand years, the increased devastation and occurrence of storms is closely linked to cooler rather than warmer temperatures.

Sublime conditions prevailed during the 10th to 12th centuries (slightly warmer than now). In the 13th century, when a cooling began that lasted centuries, storms and sea flooding in the area around the North Sea increased dramatically in severity and frequency.

But what about the huge mid-Atlantic blizzard that served as journalistic hook for the current global warming hysteria? Isn't it a symptom of the greenhouse "calamity" effect?

"Utter nonsense," says Patrick Michaels, professor of environmental sciences at the University of Virginia and author of more than 200 articles on global climate change. "Any suggestion that ocean warming caused the blizzard of '96 makes no sense. Sea surface temperature over the western Atlantic has changed very little in the recent decade — except for a profound cooling of the northwestern portion."

Moreover, explained Mr. Michaels to a Marshall Institute Roundtable, "the problem with generating mid-Atlantic snow is, in any case, not a lack of moisture. The problem is getting enough cold air from southeastern Canada into a storm. Yet all projections for an enhanced greenhouse effect reduce the depth of cold air. So blaming the blizzard on the greenhouse effect is 100 percent wrong."

But theology is rarely daunted by fact. One commentator lists not just the snowstorm of '96, but last year's heat waves, the flood of '93, and Hurricanes Andrew and Iniki as recent natural disasters that are perhaps "not wholly" natural. Among the "more intense weather events" claimed to conform to greenhouse theory is last year's flooding in Texas "with hailstones the size of baseballs."

First Sodom. Now Texas.

Look. I believe that when 6 billion humans pump tons of carbon dioxide into the atmosphere, it may affect climate.

There are countervailing theories that say not; one study points out that greenhouse theory takes very poor account of cloud formation and water vapor distribution, and notes that increases in cloud cover from carbon dioxide emissions could wipe out any temperature rise.

Still, it seems to me the better part of prudence to try to cut down on fossil fuel emissions that just might cause serious climatic change down the road. Which is why the global warming people should be strongly supporting climatically benign nuclear power. They don't, of course, because it offends another part of their environmental theology.

But that is another issue. The issue today is that environmental fundamentalists are testing the limits of our credulity when they find in every freak snowstorm or flood not some natural variation that we have seen before and will see again, but the wrath of God for man's presumption in inventing the internal combustion engine.

Washington Post Writers Group.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Rio to Trinidad

NEW YORK — Despatches from Buenos Ayres confirm the report that the Brazilian warship Benjamin Constant has sailed from Rio under sealed orders. It is stated that her destination is Trinidad, where, if the island is deserted, she is to land an armed force to occupy it. Should the island be tenanted and resistance offered, the vessel will return to Rio de Janeiro for further orders.

1921: Harmful Jazz

GRAND RAPIDS — Jazz music is proving too much for the American Indian, says Dr. Henry Beets, secretary of the Christian Reformed Church Missions. He declares that the jazz and the shimmy are driving the redskin back to the war dance. He suggests that the Interior Department stop Indian maids and youths dancing modern steps, in order to save their morals and bring them back to the paths of their fathers.

1946: Stalin's V-Neck

MOSCOW — Generalissimo Josef V. Stalin has a new uniform. Photographs of him last night [Jan. 21] at the Kremlin meeting on the twenty-second anniversary of Lenin's death showed him in a new military jacket. The essential difference from his previous uniform was a new collar which comes down to a "V" on the chest instead of the old stiff standing collar. The photograph, which was the first published of him since his return from a Black Sea vacation, pictured him alert and looking well. He listened to speeches from the customary back row, sitting in an aisle seat.

International Herald Tribune
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S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126, Commission Paritaire No. 61337
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ISSN: 0294-8052.

OPINION/LETTERS

Just Put It on the Table In the Storage Room

By William Safire

WASHINGTON — The unremarked Whitewater revelation of last week was Hillary Clinton's admission to investigators that in 1988 she had "authorized the destruction of" Rose Law Firm records about her recent representation of the Madison S&L.

Perhaps you believe her reason for destroying those 1986 files was not to conceal her connection to scandal, but was merely — as she affirmed — to free up space in filing cabinets.

Perhaps you believe, too, her contention to the radio interviewer Diane Rehm that in 1992 "we took every document we had" and "we laid them all out" to The New York Times — a claim destroyed by the recent surfacing of billing documents concealed back then. (White House counsel, avoiding the word "inoperative," had to admit Mrs. Clinton was "mistaken.")

Perhaps you believe that the long-sought billing records — showing her active representation of the corrupt S&L and offering leads to her involvement in a fraudulent land deal — were placed on the table of the room next to her third-floor hideaway by some sinister force.

Having stood on the burning deck, I empathize with loyalists. The Clintons' lawyer, David Kendall, deserves a salute for cunningly introducing the notion that in 1992 Mrs. Clinton may have handled these records: "It is possible they showed her the billing records then, but she does not recall."

Although this assertion undermines her claim that she did not know that any documents were withheld in 1992 from the Times reporter Jeff Gerth, the astute lawyering provides some cover in the unlikely event Mrs. Clinton's fingerprints are found on those billing records along with Vincent Foster's.

But we must not let the triple trickiness obscure the underlying drama. Carolyn Huber swore that the records appeared in the storage room in the president's living quarters last August, during Senate hearings. She testified they were not on the table three or four days before, adding that "someone" — person or persons unknown — put them there.

If so, logic suggests the avidly sought billing records were not put there to be found and filed, but were parked there temporarily, to be looked over in the room next to the office then being used by the first lady and her ghostwriter.

Can you imagine the sinking feeling of the "Someone" when he or she came back to the room and found the records gone?

That person would worry: Who took them and for what purpose? Can I ask people with access to the storage room if they saw the records and what they did with them? Of course not; the files have Mr. Foster's handwriting all over them in red, and the first lady is not supposed to know about the files' whereabouts.

This Someone wonders: Maybe Carolyn took them; that former Rose employee would surely recognize them as the subpoenaed billing records. Will she turn them over to the independent counsel or the Senate? Will she bring them to the president or first lady? Surely she wouldn't silently sit on them forever.

Five months pass; the records placed on the table do not reappear. All that time, the Someone must be sweating: Who has them? The finder may be selling them to the press, or planning blackmail or has been a guardian angel and destroyed them.

But the Someone is precluded from trying to find out. It's as bad as trying secretly to destroy bulky records when you're a central figure in the White House. You cannot put them in a wastebasket; the trash will be brought back by the Secret Service with "did you want to throw this out?" Asking for a shredder would arouse suspicion.

You cannot put them in a burn bag for fear it will be examined. Nor can you light a fire in August without stimulating questions or setting off an alarm; even at Camp David, the fireplace is visible to servants through a kitchen window. You cannot flush them down the toilet page by page because a man will appear after the fifth flush with a plunger.

So how do you get rid of the fistful of records with nobody the wiser? For deep-sixing, you could give them to Bruce Lindsey (revealed recently to have received $50,000 in cash for black neighborhoods in a past campaign), but that would be conspiracy and you could never be certain the file was destroyed.

So you put them on the table in the storage room. You'll be back in a few hours ...

The New York Times

Feeling Undermanned? Try the New Pick-Me-Up

By Maureen Dowd

NEW YORK — Picture the modern man preparing himself for an evening's conquest:

He's showered. He's shaved. He's strategically slicked his hair. Bryan Ferry's greatest hits are heard in the background. His denim shirt is perfectly distressed. The silver-tipped belt around his mildly ridged waist is hanging

MEANWHILE

with just the right insouciance from its buckle. He splashes on a little Ferré for Men. He's ready.

Oops. He almost forgot. Suavely, he pushes back the hair behind his neck and places on his willing skin a testosterone patch.

A what? Yes, it's come to that. The same sort of transdermal patch that helped people stop smoking can now help men start smokin'. Pharmacologists have developed an unprecedented delivery system for virility. For just $3 a day, your average lounge lizard can transform himself into an alpha male.

Fortune magazine saw the potential for business. "These fabulous testosterone boosters will obviously be most appreciated by middle managers embroiled in merger and acquisition scenarios, particularly where there is replication of function between existing and acquired operations," Stanley Bing advised in his Executive Gift Guide column. "Slap on the patch — and may the best vice president win!"

Androderm, manufactured by SmithKline Beecham, was just approved by the Food and Drug Administration as a therapy for men with waning testosterone.

This is an important development because specialists now agree that men lose testosterone gradually throughout their adult lives, reaching a third to a half of their former peak by age 80.

But let's face it. The patch is merely a Band-Aid solution to the larger problem, which is that men seem to be getting less manly.

Not only do they have to worry about falling testosterone levels, they have to worry about falling sperm count. As Lawrence Wright wrote in The New Yorker, "Recently, both the quantity and the quality of the human sperm population have come into question," he wrote.

"The apparent drop in the sperm count is so sudden and steep that it has caused some scientists to wonder whether the human species is approaching a fertility crisis."

And consider the anecdotal evidence. Michael Jackson can't make Lisa Marie Presley happy. Kenneth Branagh can't make Emma Thompson happy. David Letterman can't make himself happy. Clint Eastwood is exploring his inner woman. And Madonna, the author of that respected study "Sex," is so dissatisfied with the male specimens she meets that she is talking about advertising to find a father for her child.

One measure of this decline is the emergence of a new sex symbol, as documented in the Wall Street Journal: the UPS deliveryman. He drives a truck. He wears clinging brown polyester trousers. He arrives when you want him to and he leaves when you want him to.

My male friends agree this is not a golden age for their sex. They are not sure if it's the end of history, or just a stage they're going through.

"I would definitely say we are dispirited," says Bill Geist, the CBS correspondent and author of "Monster Trucks and Hair-in-a-Can." "We've lost track of whether we're supposed to be acting more manly or more sensitive. We no longer even try to defend ourselves when women blame all society's ills on us."

He continued: "I hope it's a Muhammad Ali rope-a-dope strategy — when he'd let his opponents beat up on him until their arms hurt and then he'd knock them out. But it might be that men are winding down and becoming unnecessary."

Pity the society that worries simultaneously about rising rates of illegitimacy and falling rates of sperm. Feminist triumphalism would be foolish. Virility, after all, was not altogether a bad thing.

The good news is that astronomers have just discovered two new planets orbiting sunlike stars that may have intelligent, even patch-free life. Maybe there are universes full of single men who don't need to worry about vanishing virility. Who knows what they'll look like? Who cares? Earth girls are easy.

The New York Times.

LETTERS TO THE EDITOR

A Skewed Spectrum

Robert J. Samuelson *("The Central Dilemma of the Welfare States: How to Scale Back," Opinion, Dec. 22)* is far off the mark in his analysis of last December's social unrest in France. If he were to glance at the French press, he would realize that the entire political debate here, as in much of Europe, is slanted several notches to the left of that in the United States.

Both France and the United States over the past several decades have set certain minimum benefit levels as "entitlements." Both are now struggling to reduce the costs of these benefits.

However, the similarity ends here. The "liberal" or "moderate" (depending on whom in the United States you ask) Bill Clinton is trying to preserve a minimal safety net for the poor and the elderly. The "conservative" Alain Juppé, despite minor cuts, is trying just as hard to preserve a system that pampers nearly everybody.

Mr. Samuelson concedes that the Juppé plan is "not that harsh." He does not list the many benefits that would be left virtually untouched by Mr. Juppé.

To cite just a few, these include: universal minimum five-week vacations; standard retirement at age 60; extremely liberal sick-leave policies; routine maternity hospital stays of 5-9 days; a minimum wage of $7 per hour. The French speak of these benefits as "rights," in much the same way as Americans speak of the first 10 amendments to the constitution.

Clearly, French "conservatives" have nothing in common with the philosophies of any Republicans now in Congress. Any American politician who advocated bringing U.S. social benefits into line with the levels proposed by the "conservative" French government would be viewed by most Americans as a member of the radical left.

ALICE L. CLARK.
Paris.

Private Affairs

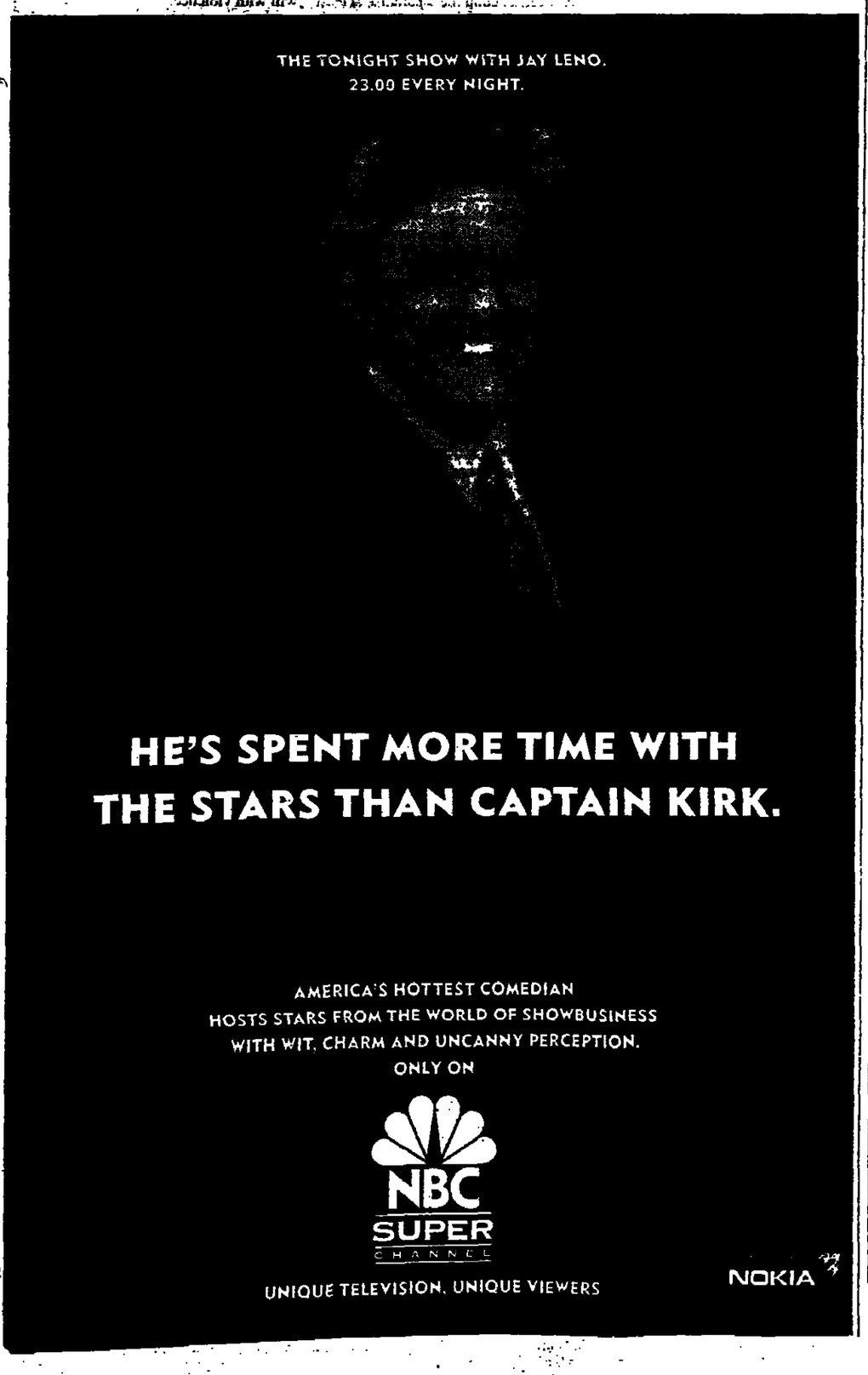
Regarding "The Private Sector Needs to Look More to the Common Good" (Opinion, Jan. 10):

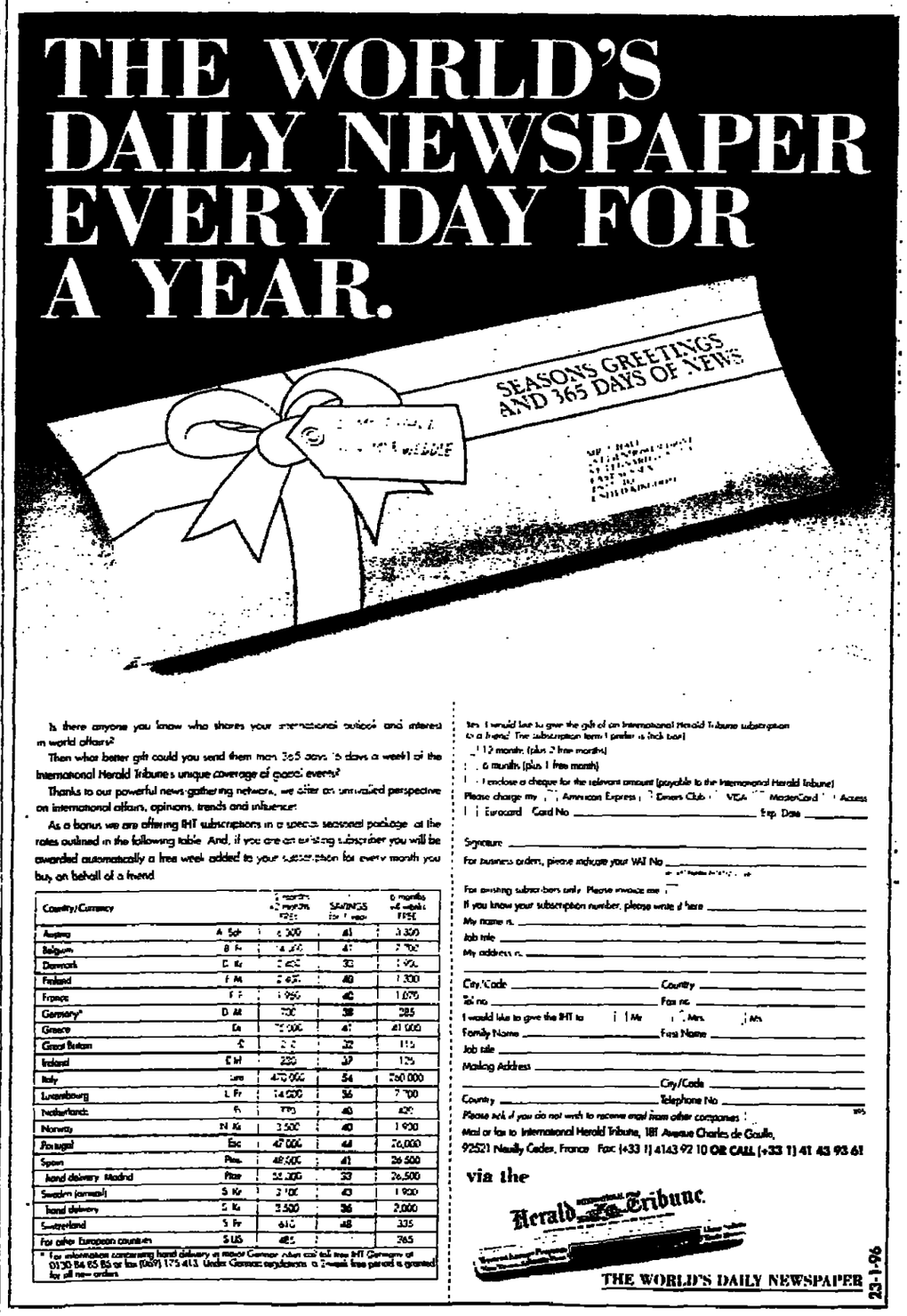
With his commonsensical challenge to the corporate world, Director-General Peter Fuchs of the International Committee of the Red Cross delivers a bright ray of clearheaded thinking from the well-intentioned, if often fuzzy-minded, social sector.

Mr. Fuchs joins the thin ranks of eloquent political thinkers such as Senator Daniel Patrick Moynihan, Labor Secretary Robert Reich, John Kenneth Galbraith and the late Olof Palme when he insists on major capital bearing a self-interested share of responsibility for a stable common future.

One now eagerly awaits from corporate leaders the pragmatic response that Mr. Fuchs's challenge deserves.

RICHARD WEBER.
Vessy, Switzerland.





Style

Christopher Moore

From left: Valentino's lace-encrusted dress and hose; Versace's zebra-print dress and squaw feather; Dior's flower-strewn gown by Ferré; Givenchy's organza blouse by Galliano, and Nina Ricci's floral evening dress.

Dior and Valentino, Blossoming With Lightness and Lace

By Suzy Menkes
International Herald Tribune

PARIS — Dior's collection was dedicated to the flower of womanhood — those graceful creatures who flutter like butterflies in some enchanted garden. Real life role models may be hard to dig up, but Monday's show made a pretty pause on a rain-soaked Paris afternoon, with its flower-embroidered bodices peeking from sculpted suits and herbaceous ballgowns spreading across the runway.

Valentino also spread a little prettiness with his light-handed show of chalky colors and lace embellishment. So after the excitement of the weekend shows, with John Galliano's début at Givenchy and Gianni Versace's high-octane glamour, the haute couture spring/summer season moved back into its more conventional Please Please Me role.

"I wanted a spirit of lightness, tenderness and femininity — and I love flowers," said Dior's designer, Gianfranco Ferré, before a show that was inspired by the gossamer-light Dior gowns from the 1950s that the designer saw in the couture exhibition at New York's Metropolitan museum.

A perfume of La Dolce Vita (fortuitously Dior's latest fragrance) pervaded the daywear, which was grand, refined and given a period feel of a Roman holiday by the over-the-knee skirts on slim suits or full-skirted dresses.

Chop off the hems (as clients surely will) and a brown cloqué dress with

PARIS FASHION

dipping cowl at the back or a cream suit with portrait collar would fast forward a decade or two. The strict jackets with narrow pants worn with crusty lace bodices had a modern elegance.

As each outfit came through the bower of pink peonies and pale roses, it oozed haute couture, in the zephyr-lightness of the organza, the crunchiness of broderie anglaise, the precise cut of pin-striped tailoring and the panels that flew out from a sleek silhouette.

There was also great refinement in detail, from raffia banding the bouffant hair to delicate tracery of flower embroidery or bouquets of blooms tucked seductively into the bodice.

Ferré received an ovation from the front row lineup, which included France's first lady, Bernadette Chirac, Gregory Peck and his wife, Véronique, and the elegant Princess Michael of Kent, who is faithful in her fashion and announced, "I'm a Ferré girl."

As the models floated down Valentino's Nile green runway, it was clear that the Roman designer had aimed his intimate show at his adoring clients.

He knows exactly who his ladies are, and he served them well with his spun-sugar confections in soft colors. The bonbon prettiness of his show and its delicate decoration was displayed to advantage in his new venue: the ornate Opéra Garnier, where he slid his shiny swimming pool of a runway beneath the gilded and painted ceiling.

"I wanted to make a very flattering collection, to make women beautiful with pretty colors to frame the face," Valentino said backstage, describing precisely the effect of sugared-almond pink, pale blue and café au lait and the floating scarves or fluttering spotted voile over silver embroidery.

Some of the show was so soft, it was like a meringue turned marshmallow: a beige crochet top with low-slung hipster pants you know that no one would be daft enough to buy as haute couture; or a black gauze tent for the women who have lost their waists. (They should note that Valentino had invited the personal trainer from the Ritz Hotel to the show.)

A girlish youthfulness marked the daywear, with pert short dresses, a short-sleeved jacket perhaps, and always flowery lace hose. From the low podium and in the relatively small space, you could see the inset ribbons and cut-out lace, which sometimes make Valentino's models look like they had come out in their lingerie.

But such delicate workmanship proves that his Roman ateliers can outstitch and outwinkle most Paris couture houses.

For evening, the short, near, slightly 1960s silhouette broke out as skirts were made of lacy daisies. Then came elongated evening dresses, feather-light in spite of the tucks, lace inserts and bead embroideries that Valentino turns out with the light hand of long experience.

The flower-strewn frock is the hardy perennial of couture's summer season. At Nina Ricci, roses sprouted on ball skirts, clung to the bodice and entwined the hair — along with a bunch of grass. Designer Gérard Pipart makes the most of summer evenings. Ricci's daywear shows cartwheels of straw with everything from tunic-and-pants suits to shirtwaist dresses and is clearly destined for a generation of women who still think that a Hat Makes All the Difference.

HOLD your breath! At Jean-Louis Scherrer, designer Bernard Perris has discovered the corset. Everything in his show was so tightly fitted you began to worry about those poor models' health. Think of a suit, hourglass-small in the waist with a skirt hobbling the knees; a wasp-waisted coat over skinny pants; and for evening, lashings of lacing and fitted bodices above spreading skirts. If there still are women out there prepared to suffer for their uplift (and a French TV presenter willingly submitted on the runway), then Perris is their man.

Couture shows intended either to reassure existing clients or to burnish a house image are unlikely to set the fashion world ablaze. The buzz of the season and the hotly disputed topic of conversation Monday was all about Galliano and whether he will find a new clientele to appreciate his romantic and imaginative clothes — once they are viewed away from his confusing presentation and without stagy accessories.

Debut shows — even Karl Lagerfeld's for Chanel in 1983 — are seldom stellar, since it takes a year to develop a symbiosis between couturier and atelier.

As for the potential clients, the signs of change are already there — behind the front-row lineups that contain the usual socialite suspects and minor French actresses.

The new Russian rich were out in force at Gianni Versace's weekend show and at Nina Ricci on Sunday. A maharaja's daughter graced Valentino's front row, and the South American and Middle Eastern clientele discreetly attend second shows or send for the videotape.

BOOKS

ORSON WELLES: The Road to Xanadu

By Simon Callow. 640 pages. $32.95. Viking.

Reviewed by
Joel E. Siegel

ORSON WELLES posts "No Trespassing" signs as the opening and closing images of "Citizen Kane," a movie about, among other things, the impossibility of biography. His own life was bracketed by similar prohibitions. In his final decades, he shamelessly accepted virtually every offer — trivial film roles; television commercials — to replenish his dwindling coffers, but never consented to write an account of his life. "Destroy all biographies," he decreed *in a 1962 interview.* "Only art can explain the life of a man — and not the contrary." Five years later, he admitted to Kenneth Tynan: "Everything about me is a contradiction, and so is everything about everybody else."

The enigma of Welles, an inveterate mythomaniac, has proved irresistible to biographers and film scholars. To date, more than a dozen English-language writers have explored his life and work, ranging from idolaters (Barbara Leaming, Peter Bogdanovich) to detractors (Charles Higham, Pauline Kael). Actor-writer-director Simon Callow's new biography, "Orson Welles: The Road to Xanadu," ends on its subject's 26th birthday, which coincided with "Kane's" premiere. A second volume is promised, which, combined with this tome, will nearly rival Welles's autumnal bulk.

"My task in writing this study," Callow explains in his preface, "has been as much to re-evaluate the known facts as to establish new ones. . . . I have tried to put [Welles] back into the context from which he wrenched himself. . . . This identification of the supporting cast has been my guiding principle at all times. Cleaning the canvas, as it were, I have aimed to reveal the surrounding figures and Welles' connection with them." He relies most heavily on the memoirs of the producer John Houseman and actor-director Micheal Mac Liammoir, which he considers "the only credible representations" of Welles. Clearly, putting the actor-director "back into context" implies a tendentious depreciation of his artistic reputation, an objective reinforced by granting credence to Houseman, whom Welles fingered, in Richard Merryman's 1978 "Mank: The Wit, World and Life of Herman Mankiewicz," as the "only one real enemy in my life that I know about."

It's difficult to overlook the hand-me-down character of Callow's writing, which starts with the book's title, pinched from John Livingston Lowe's classic study of Coleridge, and continues on the third page of his preface with an unacknowledged paraphrase of the opening lines of L.P. Hartley's novel "The Go-Between." Callow retraces the now-familiar Wellesian saga — his gifted mother and dipsomaniac father; his formative years at the Todd Seminary for Boys; his acting debut at 16 at Dublin's Gate Theatre; the trailblazing Federal Theater Project and Mercury Theater stage productions; the radio dramas capped by the notorious "The War of the Worlds"; the controversy surrounding his film directional debut, "Citizen Kane" — which Callow embellishes with the kind of pedestrian glosses one generally encounters in student research papers.

Nearly half of "Orson Welles" focuses on the director's theater productions, a tricky task for an author who was not around to witness them. This section contains the book's liveliest chapter — the euphoric genesis and sensational opening of Welles's black "Macbeth" — but far too much space is devoted to recapitulating contemporary reviews of each production.

Callow's prose is prolix and often gratingly redundant. (He writes of Welles's father's drinking problems: "He was, by now, an alcoholic. He depended on alcohol; life was not possible without it.") Repeatedly, he inserts smarmy little lessons in political correctness; we're alerted that the Chicago Symphony conductor's praise of Welles's mother as the foremost woman pianist he knew was "a sexist compliment from a sexist age." The author of two books about theater, he can't resist intermittently dropping his biographer's mask to issue plummy acting-school pronouncements ("Punctuality is not merely the politeness of directors; it is their raison d'être").

Even if Welles is guilty as charged of self-indulgence, gobbling credit for the contributions of his collaborators, squandering his talent and the other shortcomings ascribed to him in this smug, bloated biography, the grandeur of his achievements and failures exceeds Callow's short-armed grasp. The "No Trespassing" sign remains intact.

Joel E. Siegel, who teaches film and writing at Georgetown University, wrote this for The Washington Post.

JOSEPH & DAVID SALE

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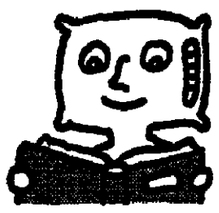
london	150 new bond street
london	harvey nichols
barcelona	juan sebastian bach 6

WHAT THEY'RE READING

• **Joseph White**, senior fellow at the Brookings Institution in Washington, is reading "*The Heretic's Apprentice*" by Ellis Peters.

"This is one of the series featuring Brother Cadfael, a monk turned detective in a 12th-century Benedictine Abbey. I read them to rest my brains from the battle over the budget."

(Lawrence Malkin, IHT)



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CHESS

By Robert Byrne

GRANDMASTER Georgi Orlov went astray in his Round 12 game in the 1995 United States championship, and Grandmaster Nick DeFirmian never let him forget it.

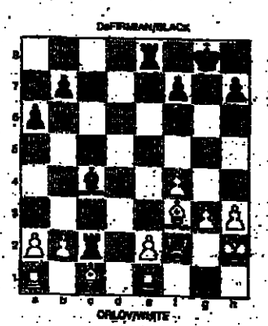
There were two reasons Orlov did not play 4 d5: DeFirmian is a connoisseur of the Benoni Defense, to which he would surely transpose with 4...ed 5 cd d6; and the fianchetto variation doesn't pack much punch against the Benoni.

After 7...d5!, it would have been risky to grab the gambit pawn with 8 cd ed 9 Bd5?! because 9...Bh3 10 Bf3 Rd8 11 Nd2 Bc5 12 e3 Ne5 would yield DeFirmian a powerful attack. So Orlov played to hold in the center with 8 Nba3. The crucial error: it put his knight out of play and left him in a passive position.

On 9...O-O, Orlov perhaps should have concentrated on development with 10 b3 and 11 Bb2. Instead, he opened the position with 10 cd ed and invited trouble.

After 11...Be6, the d5 pawn was still taboo; 12 Nd5? Bd5 13 Bd5 Rad8 14 e4 Ne4! is terrific for Black.

Stultified, Orlov tried for some action with 15 f4, hoping to induce 15...d4, which would concede him the c4 square for his knights. But DeFirmian exploited the



DeFirmian/Black

Orlov/White

Position after 22 Re1

loosened white formation with 15...Nb4 16 Qb3 (16 Qd2 Ne4! 17 Be4 de 18 Nec4 Rd2 19 Nb6 Re2 20 Kh1 Bb6 wins a piece) Be3 17 Qe3 d4 18 Qf2 Ne2! 19 Nc2 Rc2, infiltrating white's second rank.

On DeFirmian's 21...Re8!, Orlov could not fight back with 22 Qd4 because the queen sacrifice with 22...Be2! 23 Qb6 Bd1 24 Bg2 Bf3 25 Bd2 Rd2 26 Rg1 Ree2 27 h4 Bg2 28 g4 Bc6 29 Kh3 Rh2 30 Kg3 Ne4 31 Kf3 Rh3 ends in 32 Rg3 Rg3 mate.

After 22 Re1, DeFirmian's 22...Be2! destroyed the white defenses. Had Orlov taken the bishop with 23 Be2, then 23...Qe6 24 Kg1 d3 25 Be3 Qe3 26 Qe3 Re3 27 Bf1 Rg3 28 Kh1 d2 29 Rd1 Ne4 30 Kh2 jRe3 31 Kg2 Rb2, followed by 32...Nc3, wins for Black. In this hypothetical line, 29 Re2 Rd3! 30 Rd1 Rc1 31 Red2 Rd1 32 Rd3 Rf1 33 Kg2 Re1 puts Black a piece and a pawn ahead.

After DeFirmian's 24...Ne4, 25 Qg2 would have been crushed by 25...Bd3. So Orlov played 25 Qd4, but after 25...Bf3, he saw that 26 Kg1 Rg2 27 Kh1 would end in 27...Ng3 mate, and he gave up.

ENGLISH OPENING

White: Orlov	Black: DeFirm'n	White: Orlov	Black: DeFirm'n
1 c4	Nf6	14 Kh2	e6
2 e4	e5	15 f4	Nb4
3 g3	c5	16 Qb3	Be6
4 Nf3	Nc6	17 Qd3	d5!
5 Nd4	Ne5	18 Qf2	Ne4
6 Bg2	Qb6	19 Nc2	Rc2
7 Nc2	d5	20 Rd1	Bc4
8 Nba3	Bd7	21 Bd5	Re8
9 0-0	0-0	22 Re1	Be2
10 cd	ed	23 b3	Qb6
11 Ne3	Be6	24 Bb3	Ne4
12 Qd3	Rfd8	25 Qd4	Bf3
13 b3	Rad8	26 Resigns	

هكذا من الأصل

Herald Tribune (International)

BUSINESS / FINANCE

TUESDAY, JANUARY 23, 1996

THE TRIB INDEX 131.66

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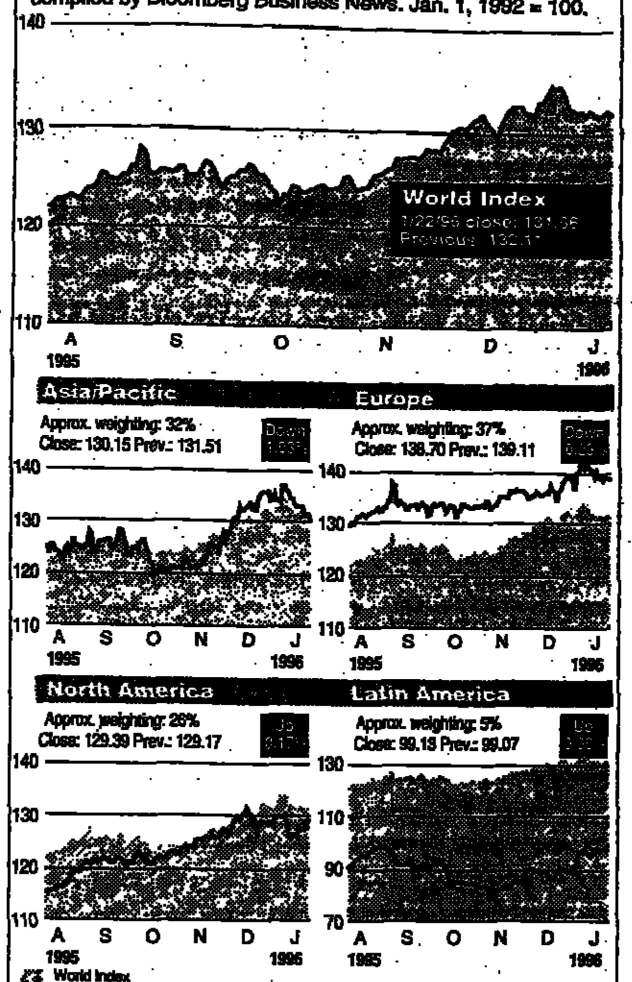

World Index

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

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Energy	133.97	135.06	-0.81	Capital Goods	135.36	135.17	+0.14
Utilities	130.89	131.22	-0.25	Raw Materials	142.98	142.98	Unch.
Finance	123.37	124.85	-1.19	Consumer Goods	138.12	138.06	+0.04
Services	122.60	122.49	+0.09	Miscellaneous	140.64	139.61	+0.74

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At Porsche, Japanese Lessons

Streamlining Turns Ailing Carmaker Around

By Nathaniel C. Nash
New York Times Service

ZUFFENHAUSEN, Germany — Not too long ago, the production floor of Porsche AG's factory here was not a happy place.

Workers would storm off in a huff. Managers would fume. Voices would rise above the hum and bang of the line.

Japanese engineers, most of them formerly with Toyota Motor Co., would wave their fingers, demand explanations, scold, lecture and browbeat, essentially telling some of Germany's finest automobile craftsmen how poorly they were doing their jobs.

What was happening was the salvation of Porsche, Germany's ultimate symbol of racing-car performance and autobahn freedom.

From the dizzying heights of the mid-1980s when American yuppies, not to mention staid German executives, had to have a Porsche, the company fell to the brink of bankruptcy in 1992. Recession had crippled sales, and costs were out of control.

Turning to the Japanese, with their lean manufacturing techniques, was considered its only hope of making a car at a profit and avoiding the frequently rumored takeover by Bayerische Motoren Werke AG, Mercedes-Benz AG or Volkswagen AG.

"It was the biggest shock for the company to accept that Japanese were walking around, not able to speak either the Schwabian dialect or German, and telling people what to do," said Wendelin Wiedeking, 43, chief executive of Porsche.

"They were tough guys. They were absolutely aggressive to the people," he said. "And we wanted it that way."

Feelings may have been hurt, but Porsche survived — not only as a prestige name in German automobiles, but as the last remaining independent European manufacturer of sports cars. Last month, the company reported its first profit in four years, after $300 million in losses.

"That profit guaranteed our independence," said Michael Macht, head of Porsche Consulting, which the automaker formed to spread the Japanese manufacturing concepts it learned. "This is not a turnaround. It is a new company."

The production changes implemented by the Shin-Gijutsu group, the core group of former Toyota engineers to whom Porsche turned for advice three years ago, mean that today more cars are produced faster by fewer people without losing technical sophistication and road performance.

Having put the losses behind it — and restored peace to the production line — the company is concentrating on developing new models and new markets. Porsche already has orders for 10,000 units of its new roadster, the Boxster, which it plans to introduce later this year. In 1997 it will roll out a new version of the famed 911.

The company also is in discussions with other automakers about possibly producing a high-performance off-road vehicle, a minivan and a small low-priced sports car.

The team of Japanese consultants now returns only about four times a year — "to scold us," Mr. Macht said. But the innovations the Japanese initiated are being continued by the German engineers. Workers on the line submit 2,500 suggestions a month.

The factory is clean and quiet. Nobody stands around. No half-built engines sit to the side of the assembly line. There are no bins of spare parts through which workers have to dig. The parts needed for assembly hang on carts that are pulled down the line with the engines, so that workers do not have to leave their work space.

Porsche management says the

See PORSCHE, Page 15

Bank of Tokyo Reveals $8 Million Embezzling Case

Compiled by Our Staff From Dispatches

TOKYO — The Bank of Tokyo Ltd. said Monday that it had lodged a criminal complaint against a former employee who allegedly embezzled 850 million yen ($8 million) from the bank.

The employee, identified only as a 39-year-old loan officer at a domestic branch, used the money for gambling, officials said.

A bank spokesman, Masami Shigematsu, said the bank brought the case to police in the middle of May last year and fired the employee at the same time. But the bank did not report the losses in its accounts for the first half of its current financial year, which began last April 1.

Bank executives said they had kept the case quiet to assist a police investigation.

Mr. Shigematsu said the embezzlement was discovered after the banker was transferred to another branch office last March.

The former employee allegedly forged stamps and created false documents that allowed him to open a nonexistent account in a customer's name. "We believe the employee acted alone," said the bank's deputy president, Kaoru Hayama. "We regret that the case went unnoticed for as long as five years. We could have found out earlier if our internal management system had been strictly adhered to."

Mr. Hayama said the bank had since reformed its security system and that board members were likely to take a cut in salary or bonus to take responsibility for the loss.

The Bank of Tokyo, known as the only one of Japan's large, so-called city banks to specialize in foreign exchange, is slated to merge with Mitsubishi Bank on April 1.

Japan's Ministry of Finance said that it learned of the case last summer but had not made it public until Monday because of the police investigation.

Recently, the secretive practices of Japanese banks have come under fire in connection with their huge portfolios of bad loans. Critics contend the banks should be more open in making public the extent of their problems.

Last year, Daiwa Bank Ltd. was ordered to pull out of the United States after it hid $1.1 billion in bond trading losses from U.S. authorities for nearly two months.

Meanwhile, Tadashi Ogawa, Japan's vice minister of finance, said the government would disclose more data on the nation's seven insolvent housing-loan companies if Japan's parliament asked.

In the new parliament session that began Monday, the publicly assisted bailout of housing loan companies is to be a focal point of debate.

(AP, Bloomberg, Reuters)

Forte Claims Wide Support

Bloomberg Business News

LONDON — Forte PLC appeared confident Monday that it would it would fend off a £3.9 billion ($5.9 billion) takeover bid by Granada Group PLC as investors decided which way to vote in the final 24 hours before the bid was to expire on Tuesday at 1 P.M.

While the British hotelier has said it has the support of at least 35 percent of its shareholders, no such figures can be confirmed until the final tally on Tuesday.

"We have had a very supportive reaction from those private shareholders who have attended the meetings we have held around the country," said Andrew Grant, a spokesman for Forte.

Stock analysts agreed that 35 percent support was likely but they questioned if Britain's largest hotel company can muster the 15 percent in additional support needed to rebuff Granada.

MCI and TCI in Satellite Showdown

Bloomberg Business News

WASHINGTON — Three bidders, including MCI Communications Corp. and Tele-Communications Inc., have paid a total of $34 million for the right to bid in Wednesday's federal auction of direct broadcast satellite service licenses, the U.S. Federal Communications Commission said Monday.

Analysts said the auction would probably come down to a battle between MCI, the United States' No. 2 long-distance company, and TCI, the country's biggest cable company. Echostar DBS Corp., a division of Echostar Communications Corp., also applied to bid on the two available licenses.

"The American consumer will be the real winner of this auction," said Scott Blake Harris, chief of the FCC's international bureau. "It will lead to the prompt introduction of new DBS competitors and additional DBS service."

The FCC hopes to earn hundreds of millions of dollars for the U.S. Treasury with the sale of the two DBS licenses, which provide the rights to satellite perches for the delivery of video and high-speed data transmissions that can be picked up by 18-inch dishes.

Most other potential bidders — including all seven Baby Bell operating companies, Sprint Corp. and AT&T Corp. — announced that they were not participating.

Indeed, AT&T may have found a less risky, and quicker, way to get into the business. The telecommunications giant announced on Monday an agreement with GM Hughes Electronic Corp. to market and distribute Hughes' DIRECTV digital TV programming.

Thinking Ahead /Commentary

Optimist Says Trade Is World's Balm

From Reginald Dale
International Herald Tribune

WASHINGTON — With economic gloom so pervasive, at least in the industrial countries, it is refreshing to come across an unabashed optimist. In this period of wrenching change in the world economy, it is much more fashionable, though also probably more short-sighted, to be a hard-bitten pessimist.

Ernest H. Preeg, the author of a new book on the international trading system, is not just an optimist, he is positively idealistic. He is quite confident that if the right policies are adopted, especially by the United States, the coming century will prove the pessimists dead wrong.

Taking his cue from the trustingly innocent Miranda of Shakespeare's "The Tempest," Mr. Preeg says we may well be at the threshold of "a brave new world" in which economic liberalism and liberal democracy will spread around the globe bringing peace and prosperity to an ever greater proportion of humanity.

The key to this benign progression, he writes, will be the continued opening up of international trade. "The future of the global political order is largely, if not preponderantly, dependent on how the evolving world trading system is managed," he writes.

Mr. Preeg's book, "Traders in a Brave New World," published by the University of Chicago Press, is primarily a blow-by-blow account of the seemingly interminable Uruguay Round of world trade negotiations, finally concluded in 1994.

This hard-won success, he says, together with the move to bigger and better regional trade groupings, could pave the way for "some form of fully integrated world economic order" in the coming decades.

Mr. Preeg does not mind that his views sound utopian. He places himself squarely in the school of a former U.S. State Department official, Francis Fukuyama, whose famous 1989 article, "The End of History?," hailed the triumph of liberal democracy as "the final form of human government."

Mr. Fukuyama's views attracted much criticism and some ridicule, particularly from people who had failed to notice the question mark at the end of the title.

Mr. Preeg's views will doubtless do the same. They will certainly be anathema to economic nationalists like the former U.S. presidential candidate Ross Perot and the current Republican contender Pat Buchanan — and all the better for being so.

Too many people at cocktail parties and on the hustings, in the United States and elsewhere, are being allowed to get away with claims that trade and technological innovation are harmful, and too many of the pessimists, in a conceptual hangover from the Cold War, are looking to inject needless conflict into economic relationships.

Mr. Preeg, a former U.S. diplomat and trade negotiator now at Washington's Center for Strategic & International Studies, points out that numerous studies have shown that opening up trade and investment produces faster economic growth and modernization, particularly in less developed countries. That in turn, he argues, strengthens democratic forces, although the linkage is less clear.

The make-or-break question for the "brave new world economic order" will be how far the developed open-market democracies succeed in increasing their numbers "to the point where they constitute most if not all of the world political order." If they fail, they will probably "be overtaken by some alternative wave of history," Mr. Preeg warns.

He admits there has been a "series of sobering realities" since the euphoria that followed the collapse of Soviet communism. Many industrial countries are mired in unemployment, crime, and anxiety over technological change.

The three dominant regional economic groupings, in Europe, Asia and North America could relapse into protectionism, particularly over high technology. The future roles of Russia, India and China will not be definitively resolved until well into the next century.

But Mr. Preeg refuses to renounce his faith that Miranda's naively upbeat view of humanity will soon be finally vindicated. Let us hope it is catching.

Boeing Lands $4 Billion GE Order

Bloomberg Business News

SEATTLE — Boeing Co. said Monday it had signed a $4 billion contract to sell 107 aircraft to General Electric Co.'s aircraft leasing unit.

GE Capital Aviation Services, the world's largest aircraft leasing company, ordered five of Boeing's new 777s and 102 Boeing 737s. The order for 737s includes 82 new models of the aircraft, which are under development.

GE also took options on 152 more of the next-generation 737s. Those purchases would make the GE order worth about $11.6 billion to Boeing, the world's biggest maker of commercial aircraft.

The sale by Boeing follows an order in November for 777s by Singapore Airlines that would be worth as much as $12.7 billion if the airline exercised its options under the contract.

Analysts said the deal signaled an end to the massive price-cutting by Boeing and its rivals — including Airbus Industrie and McDonnell Douglas Corp. — to win large orders. "We're finally seeing the switch from a buyer's market to a seller's market in aircraft," said Nick Heymann, an analyst at NatWest Securities Corp. in New York.

GE Capital also confirmed reports that it was in talks with Airbus about a future order, but it declined to elaborate.

Boeing shares rose 87.5 cents Monday, closing at $79.125. Shares of GE fell 25 cents, to $74.

Profits Up at Merrill Lynch, Oil Firms

Compiled by Our Staff From Dispatches

NEW YORK — Merrill Lynch & Co. said Monday its fourth-quarter profit rose 88 percent, to $303 million, on large increases in fees from investments, securities trading and underwriting.

The largest U.S. securities firm said fourth-quarter revenues rose 25 percent, to $2.61 billion. The stronger results came despite a 16 percent rise in noninterest expenses in part from the acquisition of Smith New Court, the British brokerage.

Merrill Lynch was the world's biggest underwriter of new stocks and bonds for the seventh consecutive year, with 13.8 percent share of the world market in 1995, up from 12.6 percent in 1994, according to Securities Data Co.

Also on Monday, Amoco Corp. said its 1995 fourth-quarter net income of $207 million was depressed by a $380 million accounting charge, despite improvement in earnings from chemicals and overseas exploration and production.

Mobil Corp. reported fourth-quarter profits increased 16 percent, to $760 million, on higher prices for some products and lower costs. Fourth-quarter revenue rose 3.1 percent, to $19.77 billion.

Exxon Corp. said fourth-quarter net income fell 11.6 percent, to $1.68 billion, on a 1 percent drop in revenue, to $30.67 billion. The company said lower refining and marketing profits offset gains in exploration and production.

(AP, Knight-Ridder, Bloomberg)

CURRENCY & INTEREST RATES

Cross Rates

Jan. 22

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.6535	2.503	1.1159	0.3278	0.1041*	—	5.4425*	1.3918	1.5634*	1.209	1.2385*
Brussels	30.445	46.055	20.559	6.02	1.9134*	18.357	—	25.537	0.2873	22.2525	24.395*
Frankfurt	1.4823	2.24	—	0.293	0.0932*	0.8929	4.8651*	1.2408	1.3807*	1.0836	1.1872*
London (a)	1.5143	—	2.2344	7.6392	2,408.59	2.5039	45.9665	1.7975	160.21	2.0738	188.305
Madrid	124.873	188.885	84.276	24.679	7.844*	75.257	4.0996	104.691	117.27*	91.251	—
Milan	1,590.80	2,408.28	1,073.70	314.34	—	957.38	52.136	1,330.00	14.995	1,162.25	12.766
New York (b)	—	1.5123a	1.475	5.0474	1,590.08	1.6535	30.35	1.1665	105.75	1.37	124.40
Paris	5.0575	7.6905	3.4149	—	0.3179*	3.0465	0.1662	4.2422	4.7722*	3.6976	4.0525*
Tokyo	105.70	159.38	71.34	20.92	0.668	63.72	3.4724	88.53	—	77.42	0.847
Toronto	1.3693	2.0703	0.9289	0.2712	0.0861*	0.8282	0.4511*	1.1521	1.2951*	—	1.101*
Zurich	1.188	1.7988	0.8046	0.2356	0.0748*	0.7188	3.9147*	—	1.1238*	0.868	0.9551*
1 ECU	1.2764	0.8438	1.8984	6.4595	2,028.96	2.117	38.8607	1.5218	135.275	1.7459	159.298
1 SDR	1.4588	0.966	2.1624	7.3779	2,321.34	2.4194	44.4533	1.7415	154.289	1.9957	182.658

Closings in Amsterdam, London, Milan, New York, Paris and Zurich, fixings in other centers; Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9993	Greek drac.	243.61	Mex. peso	7.40	S. Afr. rand	3.6473
Australian $	1.3656	Hong Kong $	7.7331	N. Zealand $	1.5044	S. Kor. won	789.20
Austrian sch.	10.403	Hung. forint	143.13	Norw. krone	6.4774	Swed. krona	6.8168
Brazil real	0.972	Indian rupee	35.82	Phil. peso	26.17	Taiwan $	27.43
Chinese yuan	8.2928	Indo. rupiah	2293.58	Polish zloty	2.53	Thai baht	25.26
Czech koruna	27.20	Irish £	0.6373	Port. escudo	153.07	Turkish lira	60780.5
Danish krone	5.7187	Israeli shek.	3.1377	Russ. ruble	4691.	UAE dirham	3.6710
Egypt. pound	3.3935	Kuw. dinar	0.3021	Saudi riyal	3.7503	Venez. boliv.	365.00
Fin. markka	4.5285	Malay. ring.	2.5534	Sing. $	1.423		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5124	1.5115	1.5106	Japanese yen	105.42	105.01	104.59
Canadian dollar	1.3694	1.3696	1.3697	Swiss franc	1.1874	1.1840	1.1804
Deutsche mark	1.4764	1.4742	1.4718				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Eurocurrency Deposits

Jan. 22

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 mo.	5⅜ - 5½	3½ - 3⅝	1⅝ - 1¾	6 5/16 - 6⅜	4 9/16 - 4 11/16	⅜ - ½	4 13/16 - 4 15/16
3 mos.	5 5/16 - 5 7/16	3½ - 3⅝	1⅝ - 1¾	6⅛ - 6 5/16	4 7/16 - 4 9/16	½ - ⅝	4 9/16 - 4 11/16
6 mos.	5 3/16 - 5 5/16	3⅛ - 3⅜	1 9/16 - 1 11/16	6 - 6⅛	4 5/16 - 4 7/16	½ - ⅝	4½ - 4⅝
1 yr	5 - 5⅛	3¼ - 3⅜	1 9/16 - 1 11/16	6 - 6⅛	4 5/16 - 4 7/16	⅝ - ¾	4½ - 4⅝

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5¼	5¼
Prime rate	8½	8½
Federal funds	5 7/16	5⅝
3-month CDs	4.99	5.01
Comm. paper 180 days	6.11	6.11
3 month Treasury bill	4.98	4.96
1-year Treasury bill	4.80	4.75
2-year Treasury note	5.09	5.02
5-year Treasury note	5.34	5.26
7-year Treasury note	5.46	5.37
10-year Treasury note	5.61	5.53
30-year Treasury bond	6.04	5.97
Merrill Lynch 30-day RA	5.19	5.20
Japan		
Discount rate	0.50	0.50
Call money	0.40	0.41
1-month interbank	0.44	0.44
3-month interbank	0.53	0.56
6-month interbank	0.53	0.53
10-year Govt bond	2.86	2.85
Germany		
Lombard rate	5.00	5.00
Call money	3.60	3.48
1-month interbank	3.62	3.63
3-month interbank	3.52	3.52
6-month interbank	3.42	3.42
10-year Bond	5.82	5.83

Britain	Close	Prev
Bank base rate	6¼	6½
Call money	6⅜	6⅜
1-month interbank	6¼	6 5/16
3-month interbank	6 3/16	6¼
6-month interbank	6⅛	6 3/16
10-year Gilt	7.32	7.27
France		
Intervention rate	4.20	4.45
Call money	4 7/16	4½
1-month interbank	4 5/16	4⅜
3-month interbank	4⅜	4⅜
6-month interbank	4⅜	4⅜
10-year OAT	6.31	6.29

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	400.85	402.15	+2.65
London	401.80	402.20	+3.10
New York	399.90	404.60	+4.70

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

TENDER NOTICE

PETROECUADOR
EMPRESA ESTATAL
PETROLEOS DEL ECUADOR

EL ECUADOR HA SIDO
ES Y SERA PAIS AMAZONICO

PETROECUADOR

ECUADOR'S NATIONAL OIL COMPANY

DEFERMENT OF THE DATE FOR PRESENTATION OF OFFERS

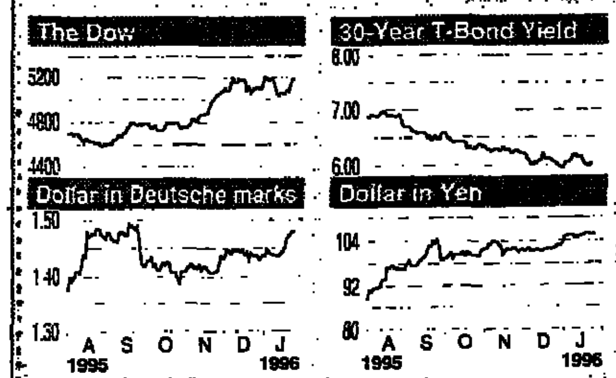
THE EIGHTH SPECIAL BIDDING ROUND FOR THE EXPLORATION AND PRODUCTION OF HYDROCARBONS IN THE REPUBLIC OF ECUADOR

The Ecuadorian National Oil Company, PETROECUADOR, duly authorized by the Special Bidding Committee (CEL), has pleasure to inform all national and foreign companies interested in taking part in the Eighth Special Bidding Round that, due to technical reasons, presentation of offers has been postponed until Friday, March 15th, 1996, at 16:00 hs.

All other conditions stipulated in the initial Notice remain unchanged.

Grol. Patricio López M.
EXECUTIVE PRESIDENT OF PETROECUADOR
SECRETARY OF THE SPECIAL BIDDING COMMITTEE

Investor's America



Exchange	Index	Monday @3PM	Prev. Close	% Change
NYSE	The Dow	5192.63	5184.68	+0.15
NYSE	S&P 500	612.09	611.83	+0.04
NYSE	S&P 100	584.69	584.31	+0.07
NYSE	Composite	327.89	327.86	+0.01
U.S.	Nasdaq Composite	1026.49	1018.45	+0.79
AMEX	Market Value	531.76	530.62	+0.21
Toronto	TSE Index	4842.28	4821.10	+0.44
São Paulo	Bovespa	48938.07	49090.33	-0.31
Mexico City	Bolsa	3062.38	3058.42	+0.13
Buenos Aires	Merval	557.79	548.19	+1.75
Santiago	IPSA General	5744.60	5793.11	-0.84
Caracas	Capital General	N.A.	1985.56	-

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

• **UtiliCorp United Inc. and Kansas City Power & Light Co.** agreed to merge in a $3 billion deal that will create a company with 2.2 million customers and $6.4 billion in assets.

• **Clayton, Dubilier & Rice Inc.** hired **Goldman, Sachs & Co.** to help it find a buyer for the mutual fund company **Van Kampen/American Capital Inc.**, according to bankers familiar with the situation. The companies refused to comment.

• **Goldman, Sachs & Co.** has decided not put itself up for sale, according to people who attended the firm's annual partners' meeting over the weekend.

• **USAir Group Inc.** had fourth-quarter profit of $60.3 million, compared with a $322 million loss in the like period last

AP, Bloomberg, NYT

Weekend Box Office

The Associated Press

LOS ANGELES — "From Dusk Till Dawn" dominated the U.S. box office over the weekend, with a gross of $10.2 million. Following are the top 10 moneymakers, based on Friday's ticket sales and estimated sales for Saturday and Sunday.

1. From Dusk Till Dawn	(Dimension Films)	$10.2 million
2. Mr. Holland's Opus	(Hollywood Pictures)	$8.8 million
3. 12 Monkeys	(Universal)	$6 million
4. Eye for an Eye	(Paramount)	$5.2 million
5. Grumpier Old Men	(Warner Bros.)	$4.8 million
6. Jumanji	(Tri-Star)	$4.6 million
7. Toy Story	(Disney)	$3.7 million
8. (tie) Heat	(Warner Bros.)	$3.6 million
Don't Be a Menace...	(Miramax)	$3.6 million
10. Sense and Sensibility	(Columbia)	$3.4 million

Maybelline Goes to L'Oréal

Compiled by Our Staff From Dispatches

MEMPHIS, Tennessee — Maybelline Inc. directors recommended Monday that shareholders accept L'Oréal SA's sweetened $610 million buyout offer, which rival suitor Joh. A. Benckiser GmbH said it would not top.

Maybelline had asked the two companies on Friday to make their best and final offers.

L'Oréal boosted its bid Monday to $46 a share to top Benckiser's latest offer of $44 a share.

L'Oréal also has agreed to assume $150 million in Maybelline debt, raising the total value of its offer to $760 million. Benckiser did not say whether it would have assumed any of Maybelline's debt.

The German cosmetics and detergent manufacturer said Monday it would not make a counteroffer "at this time," but would wait to see whether the L'Oréal acquisition bid wins U.S. antitrust approval.

Maybelline is the third largest U.S. maker of beauty products behind Procter & Gamble Co., maker of Cover Girl brand cosmetics, and Revlon Inc.

Benckiser has argued that its acquisition of Maybelline would pose no antitrust issues because it markets perfumes, not cosmetics, in the United States. The company's brands include Coty, Stetson, Preferred Stock and Jovan Musk.

Maybelline and L'Oréal agreed in December on a price of $36.75 a share, or about $510 million. But Benckiser countered with an offer of $37 a share, or about $513 million, which L'Oréal then raised to $41.

Maybelline said Friday that Benckiser had proposed in a letter that it and L'Oréal "submit their best and final offer in a final round of bidding." The letter said Benckiser would raise the ante if Maybelline established a shareholder rights plan that would limit the number of Maybelline shares that L'Oréal could buy.

Benckiser also wanted assurances that its offer would not be used by Maybelline to induce a better deal from L'Oréal, Maybelline said.

As a result of the increased price, L'Oréal's tender offer will be extended to Feb. 2, the company said.

Maybelline shares were down $1.25, at $43.625, in trading Monday on the New York Stock Exchange.

■ Bank Revives Merger Talks

First Interstate Bancorp said it had begun merger discussions with Wells Fargo & Co. but had not ended its merger agreement with First Bank System Inc.

The Securities and Exchange Commission ruled Friday that First Bank could not buy back its own stock to help finance its $10 billion bid for First Interstate, leading analysts to speculate that the merger between the two banking companies might be doomed.

First Interstate, based in Los Angeles, turned down a merger proposal from San Francisco-based Wells Fargo in November.

Meanwhile, Borden Inc. said Monday it planned to divest its worldwide plastic packaging business, which had sales of about $625 million in 1995.

"We expect the buyer to be someone who does have the focus and fit to apply resources to capture the full potential and value of this business," Borden said in a statement. Borden is privately owned by investment firm Kohlberg Kravis Roberts & Co.

A spokesman said Morgan Stanley & Co. had been retained to assist in the sale, which will be completed "as quickly as possible."

Also on Monday, Woolworth Corp. said Monday that a shareholder group had asked the retailer to spin off its successful athletic footwear and apparel division, which includes the Foot Locker and Lady Foot Locker stores.

Woolworth did not comment on the proposal, which will be presented to all shareholders at the annual meeting next month.

Shares in Harley-Davidson Inc., the lone U.S. motorcycle maker, soared Monday after it announced plans to sell most of its Holiday Rambler recreational vehicle unit to Monaco Coach Corp. for $50 million to concentrate on making motorcycles, news services reported.

(Bloomberg, AP, AFX)

G-7 Fails to Ease Dollar Worries

Compiled by Our Staff From Dispatches

NEW YORK — The dollar rose against the yen but edged lower against most major currencies Monday as statements of support from Group of Seven finance officials failed to ease worries about an impending U.S. federal budget crisis.

The dollar closed at 105.750 yen, up from 105.325 yen Friday.

But the U.S. currency fell to 1.4750 Deutsche marks from 1.4803. It also fell to 1.1855 Swiss francs from 1.1925, and to 5.0474 French francs from 5.0535. The pound rose to $1.5123 from $1.5105.

European finance officials, battling to avoid recession, want a strong dollar to boost their economies by making their exports attractive, compared with those from America.

In Japan, meanwhile, government efforts to resuscitate the economy have pushed returns on money-market deposits down to 0.5 percent

FOREIGN EXCHANGE

or less, making yen deposits unattractive and creating potential for a weakening of the country's currency.

Traders said the prospect of a U.S. government shutdown next month was dampening enthusiasm for the dollar that came from the G-7 finance officials' meeting this weekend.

The dollar fetched 6.8510 Swedish kronor, up from 6.6986, in active trading after a report by Moody's Investors Service said Sweden was at risk of falling into a debt spiral.

Sweden's government introduced deficit- and debt-cutting measures amounting to 115 billion kronor ($16.79 billion), which take effect through 1998. It most recently forecast that government debt will have peaked in 1995 and that consolidated general gross debt also peaked last year, at 79.8 percent.

While not all of those measures are yet in place, Goran Persson, Sweden's next prime minister, said this weekend he plans to return to higher welfare benefits and taxes.

But Moody's said that if Sweden only stabilized its debt at a time of economic growth, a downturn would lead to a ballooning of its liabilities.

(Bloomberg, AFP)

Profit Outlook Buoys Blue-Chip Stalwarts

Compiled by Our Staff From Dispatches

NEW YORK — U.S. stocks rose, lifting the Dow Jones industrial average to a record close, as investors bet that basic companies such as General Motors and Caterpillar can post higher profits even in a sluggish economy.

But U.S. bonds tumbled as major dealers drove yields up to spur demand for the more than $30 billion of two- and five-year notes being sold this week. The dollar was mixed.

The Dow Jones industrial average points rose 34.68, to 5,219.36, a record close.

"There are some companies still able to show earnings surprises, despite the fact the economy has been

U.S. STOCKS

making it tougher," said Tom McManus, market analyst at Morgan Stanley.

The Nasdaq Composite index climbed 10.99, to 1,029.44, lifted by higher prices for Intel Corp., Cisco Systems Inc. and America Online Inc.

General Motors climbed 2⅛ to 50 since the automaker's Hughes Electronics division sold a 2.5 percent stake in its DirecTV satellite-to-home television service to AT&T Corp. for $137.5 million, valuing all of DirecTV at $5.5 billion. Caterpillar rose 4 to 63.

Chrysler surged 3⅛ to 57¾. On Friday, the No. 3 automaker had climbed 1⅛ after it said fourth-quarter earnings excluding one-time items rose to $2.67 a share from $2.54 in the year-earlier period, beating estimates of $2.24.

But U.S. bonds slumped, with 30-year issues falling one point, to 111 13/32, sending Treasury yields to 6.04 percent, the highest level since Jan. 16 and up from 5.97 percent on Friday, as Wall Street securities firms tried to drum up demand for the $30 billion of U.S. government debt coming to market this week. Yields also climbed due to a flood of corporate bond sales, expected to total more than $3 billion this week, that prompted some firms to sell borrowed Treasuries to hedge against losses on new bonds, traders said.

"We have a lot of supply coming, and people are starting to focus on that," said Gerald Thunelius, who manages $1.4 billion of bonds at the Dreyfus Co. in New York.

Bonds also suffered after House Majority Leader Dick Armey suggested over the weekend that he might favor using the threat of an unprecedented default on U.S. debt to wring concessions from the Democratic administration in balanced-budget negotiations.

Traders noted the technology sector was regaining some of its previous luster and benefiting from a growing view that recent concerns over the industry's health may have been overblown.

One key reason for the turn in sentiment was IBM, which on Thursday had easily beat analysts' expectations with fourth-quarter earnings and an upbeat outlook for its near-term future.

The market rewarded Big Blue's performance with a massive re-inflation of the company's stock price, sending it up more than 14 points Thursday and Friday, the largest two-day upside move on IBM shares in at least three years.

"I think the selling is probably finished with the tech stocks," said Jim Benning, trader at BT Brokerage. "Most of the bad news is already out."

Some analysts even question whether there ever was any bad news to begin with and contend that the fundamental factors supporting growth in the sector remain intact.

Goodyear climbed 2⅛ to 46½. The Akron, Ohio-based tiremaker said quarterly earnings grew for the nineteenth straight quarter.

Regional bank stocks rose for a second day. Wells Fargo surged 5½ to 222¾ and First Interstate Bancorp vaulted 4⅞ to 143¾ after First Interstate said it started merger talks with Wells Fargo.

Netscape Communications Corp. soared 16⅛ to 161 and VeriFone jumped 4⅜ to 31½ after the two companies announced plans to develop software enabling electronic commerce on the Internet.

Gold stocks climbed for a second day as bullion prices rallied $3.60 an ounce to $403.50, the seventh time this month prices rose above $400. Newmont Mining Corp. surged 2⅞ to 55¼ and Homestake Mining Co. rose 1 to 18¾.

(Knight-Ridder, Bloomberg, AP)

WORLD STOCK MARKETS

Monday, Jan. 22
Prices in local currencies.
Telekurs

Amsterdam

	High	Low	Close	Prev.
ABN-AMRO	77.20	76.20	76.20	76.60
Aegon	74.70	73.80	74.10	74
Ahold	68.80	68.10	68.50	68.80
Akzo Nobel	183.40	178.20	178.70	181.30
Bols Wess cva	36.90	36.10	36.50	36.80
CSM cva	75	72.80	74.90	74.50
Dordtsche Pet	241.80	239.40	240	238.50
DSM	138.80	135.50	135.50	137.50
Elsevier	22.80	22.40	22.60	22.40
Fortis Amev	114.50	112.80	112.80	113.10
G-Broc cva	54.50	52.50	53.30	54.20
Hagemeyer	90.50	89.30	89.50	90.10
Heineken	309.50	306.10	307	309.70
Hoogovens	59.30	58.30	59	58.50
Hunt Douglas	84	83	83.70	84
ING cva	112.80	111.80	111.80	112.50
KLM	56.90	56.30	56.90	55.70
KNP BT	44.90	44.30	44.70	44.10
KPN	64.40	63.20	63.30	64.30
Nedlloyd Gp	35.50	33.60	34	34.40
Nutricia	147.20	142	145.80	141.80
Oce Grinten	113	112.10	112.80	113
Pakhoed	43.50	42.80	43	42.90
Philips Elec	64.70	64	64	63.60
Polygram	91.80	89.80	90.40	91
Randstad Hdg	76.90	75.20	76	76
Robeco	119	118.40	119	117.50
Rodamco	47.70	47.20	47.70	47.30
Rolinco	126.50	126.10	126.10	125
Rorento	97.30	97.10	97.30	96.90
Royal Dutch	226.70	224.70	225.20	225.40
Stork	43.90	43	43.40	43.70
Unilever cva	239.20	237.50	239.20	235.20
VNU	246	243.60	244.60	246
Wolters Kl cva	157.50	155.20	156.40	155.70

EOE index: 508.43
Previous: 506.58

Bangkok

	High	Low	Close	Prev.
Adv Info Svc	502	498	500	498
Bangkok Bk F	342	338	340	340
Krung Thai Bk	121	118	120	119
PTT Explor	298	292	296	292
Siam Cement F	1420	1402	1402	1420
Telecomasia	80	79	80	79
Thai Airways	47	45.25	46.50	44.75
Thai Farm Bk F	282	272	274	272
Thai Teleph	143	141	142	141
Utd Comm	338	334	336	334

SET index: 1389.43
Previous: 1375.83

Bombay

Friday, Jan. 19

	High	Low	Close	Prev.
Assoc Cement	2775	2710	2745	2750
Grasim Ind	502	490	494	496
Hindalco Ind	902	898	900	904
Indust Lever	636	628	632	630
Indian Hotels	610	602	602	600
ITC	224	209	214	223
Larsen Toubro	251	247	250	250
Reliance Ind	173	168.25	170	172.75
Tata Eng Loco	382	374	380	378
Tata Iron St	168.75	165	166	167.50

Sensitive index: 2918.21
Previous: 2940.40

Brussels

	High	Low	Close	Prev.
Arbed	3615	3580	3580	3595
Barco Ind	3820	3780	3790	3780
BBL	5920	5810	5850	5930
Bekaert	26650	26075	26150	26500
CBR	12050	11950	11950	12050
CMB	2425	2360	2380	2370
Cockerill	180	176	176	179
Colruyt	9000	8920	8950	8970
Delhaize Lion	1280	1268	1274	1272
Electrabel	7490	7460	7470	7480
Electrafina	3095	3060	3070	3070
Fortis AG	3770	3750	3755	3770
GIB	1360	1344	1360	1358
GBL	4285	4245	4275	4280
Gen Banque	11250	11100	11100	11175
Glaverbel	3300	3250	3275	3320
Kredietbank	8720	8650	8660	8670
Mosane	1980	1980	1980	1980
Petrofina	9250	9190	9190	9180
Powerfin	4450	4390	4390	4400
Recticel	360	332	346	350
Royale Belge	6350	6220	6280	6230
Soc Gen Belg	2540	2510	2510	2550
Solvay	16950	16750	16750	16800
Tessenderlo	11700	11550	11550	11500
Tractebel	13350	13075	13150	13200
UCB	41500	41250	41500	41250
Union Miniere	2255	2190	2235	2165

Stock Exchange index: 8938.83
Previous: 8910.87

Copenhagen

	High	Low	Close	Prev.
Carlsberg B	325	320	322	325
Danisco	292	288	289	287
Den Danske Bk	401	392	395	400
D/S Svenborg A	171000	168000	171000	167000
D/S 1912 A	119000	117000	119000	117500
East Asiatic Co	127	124	126	125
FLS Ind B	485	475	479	480
ISS Intl Svc B	151	144	148	145
Nvo Nordisk B	792	784	787	784.30
Radiometer B	418	413	413	416
Sophus Ber B	662	652	652	657
Tele Danmk B	311.47	306	307	306.50
Unidanmark A	299	291	291	298

Stock Market index: 387.68
Previous: 387.73

Frankfurt

	High	Low	Close	Prev.
AMB	940	930	935	935
AEG	N.T.	N.T.	N.T.	155.20
Allianz Hdg	2887	2874	2875	2895
Altana	861	859	860	866
Asko Deutsche	770	760	769	774
Badenwerk	490	489	489	490
BASF	353	349	350	354.20
Bayer Hypo Bk	36.40	36.20	36.23	36.28
Bay.Vereinsbank	42.55	42.30	42.30	42.45
Bayer	424.30	419.50	420.60	425.60
Berliner Kraft	429	426	429	431
BHF Bank	41	41	41	41.14
BMW	802.50	798	800	805.50
CKAG Colonia	1185	1175	1175	1198
Commerzbank	347.30	340.10	342	349
Daimler Benz	N.T.	N.T.	N.T.	773
Degussa	525	518.50	524	519.20
Deutsche Bank	68.50	68.10	68.29	69.05
Dresdner Bank	37.75	37.22	37.22	37.78
Heidelbg Zmt	930	929	929	935
Henkel	577.50	571.50	577	571.25
Hochtief	650	643	645	649
Hoechst	432.50	430.30	431.10	431.10
Holzmann Ph.	565	547	547	570
Karstadt	594	586	588	593
Kaufhof Hdg	464	457	458	462.50
Linde	886	881.50	883	886
Lufthansa ord	217	215.50	216.80	217
MAN	429	422	424.90	429
Mannesmann	505	502.50	503	503.50
Muench Rueck	3205	3181	3180	3213
Preussag	436.25	433.50	433.50	436
PWA	215	214.30	214.30	215
RWE	570	561.50	567.50	559.50
SAP pfd	229.50	223.50	229.10	223.50
Schering	104.90	102.98	103.10	104.90
Schmalb Lub	232.50	220	231	228.50
Siemens	822.50	819.20	821	824
Suedzucker	775	767	767	760
Thyssen	285	284.30	284.60	284.40
Veba	65.25	64.80	64.95	65.05
VEW	524	521	521	521
Viag	629.50	626	627.50	626.50
Volkswagen	540	537	540	542
Wella	795	787	787	791.50

DAX index: 2390.53
Previous: 2398.76

Helsinki

	High	Low	Close	Prev.
Cultor 1	193	180	190	196
Enso-Gutzeit R	27.50	26.90	26.90	27.30
Huhtamaki IF	123	122	122.50	123
Kesko	57	56.50	56.50	57.50
Kone BF	364	360	361	363
Kymmene F	111	109	110	110.60
Merita A	11.70	11.60	11.70	11.70
Metra BF	177	175	175	178.50
Metso-Serla B	124.90	123.50	123.50	123.50
Nokia Prf F	167	163.50	165	166
Outokumpu A	70	68.50	69	69.80
Rautaruukki	27.30	27	27	27.10
Repola	79.10	78	78	79
Stockmann A	245	245	245	248
Valmet A	114	112	112.50	116

HEX General index: 1702.71
Previous: 1710.55

Hong Kong

	High	Low	Close	Prev.
Amoy Props	8.90	8.60	8.85	8.50
Bk East Asia	30.60	30.20	30.50	29.95
Cathay Pacific	12.90	12.50	12.70	12.70
Cheung Kong	54	52.50	53.75	51.50
China Light	38.50	38.10	38.40	38
Chin Estates	6.65	6.45	6.55	6.40
Citic Pacific	29.85	28.95	29.65	29.10
Cons Elec Pwr	14.65	14.50	14.50	14.40
Dao Heng Bk	31.70	30.60	31.50	30.90
First Pacific	9.70	9.45	9.50	9.60
Great Eagle	22.40	22.15	22.25	22.10
Guangdong Inv	5.60	5.55	5.60	5.60
Guoco Group	40.60	40.30	40.60	40.20
Hang Lung	14.75	14.50	14.75	14.40
Hang Seng Bk	74	71.75	73.75	71.25
Henderson Inv	7.35	7.15	7.35	7.20
Henderson Ld	54.25	52.50	54.25	52.25
HKR Intl	8.85	8.40	8.75	8.35
HK Aircraft	25.50	24.40	24.40	24.60
HK China Gas	13.95	13.75	13.95	13.75
HK Electric	26.50	26.25	26.35	26.10
HK Shang Htls	12.70	12.40	12.70	12.40
HK Telecomm	14.85	14.70	14.80	14.60
Hopewell Hdgs	5.10	4.98	5.10	5.05
HSBC Hdgs	125.50	123.50	124.50	123
Hutchison Wh	49.60	48.90	49.20	48.70
Hysan Dev	22.90	22.20	22.85	21.95
Johnson El Hdg	14.80	14.30	14.65	14.20
Miramar Hotel	16.70	16.50	16.50	16.75
Natl Mutual	7.05	6.95	6.95	6.95
New World	35	34.50	34.60	34.50
Oriental Press	3.05	2.80	3.05	2.75
Orient Telecom	2.63	2.58	2.58	2.58
Shangri-La	10.95	10.85	10.90	10.75
SHK Props	66	65	65.50	64.75
Shun Tak Hdgs	6	5.75	6	5.75
Sino Land Co.	8.05	7.75	8.05	7.65
Sth China Post	5.10	4.98	5.10	4.98
Swire Pac A	64.75	64	64.75	63.75
Tsim Sha Tsui	8	7.75	8	7.70
TV Broadcasts	31.80	31.30	31.50	31.40
Wharf Hdgs	30.50	29.85	29.95	29.55
Wheelock	16.25	15.95	16.20	16.05

Hang Seng index: 10955.30
Previous: 10764.10

Jakarta

	High	Low	Close	Prev.
Astra Intl	3525	3475	3475	3475
Barito Pacific	1925	1875	1925	1875
Gudang Garm	27500	27100	27400	27100
Indah Kiat	1700	1650	1700	1650
Indocement	9075	8950	8950	8950
Indofood	12600	12300	12450	12050
Indorayon	2125	2075	2125	2075
Indosat	9600	9100	9275	8975
Kalbe Farma	8800	8675	8800	8650
Sampoerna	29200	28700	29000	28650

Composite index: 571.32
Previous: 562.35

Johannesburg

	High	Low	Close	Prev.
AngloAm-Corp	267	260	265	257
AngloAm Gold	370	357	369	346
AngloAm Ind	197	197	197	195
Barlow	58.25	58.25	58.25	58
C.G. Smith	29.50	29.50	29.50	29
De Beers	123.25	122.50	122.50	122
Driefontein	52.25	51	52	48.50
Freegold	36.75	35.25	36.75	33.25
Fst Natl Bk	35.50	35.50	35.50	35.50
Gencor	15	14.80	15	14.75
GFSA	123	122	123	120
Iscor	3.68	3.61	3.62	3.68
Johnnies Ind	58	58	58	57.50
Kloof Gold	44.75	44	44.50	41.25
Liberty Life	136	134.50	134.50	130
Nedcor	65.75	65.75	65.75	65.50
Rembrandt Gp	39.50	39.50	39.50	39.50
Richemont	60.50	60.50	60.50	58.75
Rust Platinum	71	70.50	71	70
SA Breweries	143.50	143	143.25	142.25
Sappi	57	55.50	57	55.50
Sasol	33.75	33.50	33.75	33.50
SBIC	175	175	175	173
Tiger Oats	69.25	69.25	69.25	69.25

All Market index: 6905.59
Previous: 6828.56

Kuala Lumpur

	High	Low	Close	Prev.
Mal Banking	22.80	22.30	22.40	22.70
Mal Intl Ship F	7.60	7.50	7.50	7.50
Public Bank F	5.80	5.75	5.80	5.75
Resorts World	14.70	14.20	14.70	14.20
Sime Darby	7	6.90	7	6.90
Telekom Mal	20.60	20.30	20.60	20.40
Tenaga	10.10	9.90	10	10.10
Utd Engineers	17.50	17.10	17.20	17.10

Composite index: 1064.53
Previous: 1056.69

London

	High	Low	Close	Prev.
Abbey Natl	6.64	6.52	6.56	6.59
Allied Domecq	5.42	5.29	5.30	5.30
Anglian Water	5.83	5.73	5.73	5.74
Argyll Group	3.54	3.48	3.49	3.50
Arjo Wiggins	1.88	1.84	1.84	1.85
Asda Group	1.13	1.07	1.08	1.11
Assoc Br Foods	3.81	3.76	3.77	3.78
BAA	5.02	4.86	4.99	4.90
Barclays	7.77	7.71	7.76	7.70
Bass	7.35	7.28	7.34	7.35
BAT Ind	5.82	5.71	5.78	5.78
Bank Scotland	3.05	2.96	3.03	2.98
BICC	2.92	2.83	2.85	2.84
Blue Circle	3.49	3.41	3.41	3.41
BOC Group	9.24	9.15	9.22	9.13
Boots	6.02	5.95	6.02	5.99
Bowater	3.72	3.65	3.67	3.64
BPB Ind	3	2.97	2.99	2.97
Brit Aerosp	8.95	8.83	8.90	8.73
Brit Airways	5.25	5.16	5.20	5.19
Brit Gas	2.54	2.49	2.53	2.53
Brit Petm	5.32	5.18	5.19	5.26
Brit Steel	1.68	1.66	1.67	1.65
Brit Telecom	63.19	3.75	63.19	3.76
BTR	3.37	3.32	3.34	3.35
Burmah Cast	9.92	9.80	9.87	9.83
Cable Wireless	4.67	4.58	4.65	4.57
Cadbury Schw	5.45	5.39	5.41	5.42
Caradon	2.13	2.09	2.10	2.11
Carlton Comm	10.38	10.30	10.31	10.36
Coats Viyella	1.99	1.96	1.97	1.98
Comml Union	6.22	6.15	6.18	6.17
Courtaulds	4.60	4.36	4.58	4.40
De La Rue	7.35	7.10	7.12	7.29
Eng China Cl	3.48	3.23	3.28	3.22
Enterprise Oil	3.92	3.76	3.80	3.93
Fam Colonial	1.65	1.63	1.64	1.63
Forte	3.82	3.48	3.71	3.75
Genl Accident	6.61	6.53	6.56	6.55
GEC	3.67	3.46	3.59	3.66
GKN	8.05	7.96	7.96	8.03
Glaxo	9.18	9.07	9.11	9.10
Granada Gp	7.01	6.92	6.95	6.93
Grand Met	4.57	4.50	4.55	4.52
GRE	2.68	2.63	2.65	2.66
Guinness	4.75	4.74	4.73	4.70
GUS	7.05	6.90	6.92	7.06
Hanson	2.07	2.05	2.07	2.06
Hillsdown Hdg	1.80	1.76	1.77	1.78
HSBC Hldgs	10.72	10.61	10.63	10.46
ICI	8.33	8.23	8.30	8.26
Inchcape	2.77	2.67	2.74	2.70
Kingfisher	5.41	5.34	5.36	5.39
Ladbroke	1.67	1.60	1.62	1.64
Land Sec	4.27	4.27	4.22	4.25
Laporte	6.65	6.53	6.59	6.59
Lasmo	1.70	1.62	1.65	1.72
Legal Genl Grp	6.95	6.91	6.92	6.98
Lloyds Abbey	4.89	4.80	4.81	4.83
Lloyds TSB Gp	3.50	3.42	3.45	3.43
London Elec	7.15	6.90	7.10	7
Lucas Ind	2.04	1.86	2.02	1.87
Marks Spencer	4.47	4.40	4.42	4.46
MEPC	4.04	3.98	4.02	3.99
Mercury Asset	8.70	8.60	8.65	8.56
Midlands Elec	3.60	3.52	3.57	3.42
Natl Power	4.43	4.37	4.39	4.40
NatWest	6.67	6.55	6.57	6.63
News Intl	3.11	3.11	3.11	3.04
NthWst Water	6	5.87	5.90	5.94
Nthern Foods	1.99	1.92	1.93	1.95
P&O	5.09	4.90	5.05	4.87
Pearson	6.55	6.48	6.52	6.45
Pilkington	1.94	1.90	1.91	1.93
Powergen	5.20	5.15	5.18	5.19
Prudential	4.36	4.29	4.31	4.35
Rank Org	4.47	4.40	4.44	4.44
Reckitt Colm	7.18	7.07	7.13	7.17
Redland	3.63	3.55	3.63	3.56
Reed Intl	10.17	10	10.15	10.02
Rentokil	3.47	3.43	3.45	3.44
Reuters Hdgs	6.17	6.05	6.15	6.12
RMC Group	9.59	9.46	9.52	9.60
Rolls Royce	2.03	1.96	1.97	2.02
Royal Bk Scot	5.92	5.72	5.80	5.72
RTZ reg	8.90	8.80	8.86	8.92
Royal Insur	3.97	3.90	3.95	3.95
Sainsbury	4.20	4.10	4.12	4.18
Schroders	13.39	13.30	13.35	13.33
Scot Newcastle	6.15	6.12	6.13	6.14
Scot Power	3.88	3.79	3.85	3.87
Sears	0.98	0.97	0.98	0.97
Severn Trent	6.38	6.30	6.33	6.33
Shell Trsp reg	8.52	8.38	8.45	8.45
Siebe	7.80	7.67	7.73	7.66
Smith Nephew	1.87	1.85	1.86	1.85
Smith (WH)	4.08	3.99	4.06	4.06
SmithKline cIA	7.11	7.06	7.09	7.04
Smiths Ind	6.57	6.50	6.53	6.55
Sthern Elec	9.20	9.12	9.15	9.12
Stand Charter	6.37	6.22	6.28	6.18
Sun Alliance	3.81	3.74	3.76	3.75
Tate & Lyle	4.61	4.56	4.58	4.56
Tesco	3.09	3.03	3.05	3.07
Thames Water	5.48	5.38	5.40	5.41
Thorn EMI	16.45	16.30	16.30	16.40
3i Group	4.17	4.10	4.15	4.10
TI Group	4.83	4.75	4.80	4.82
Tomkins	2.82	2.78	2.79	2.79
Unilever	13.67	13.55	13.65	13.45
Utd Biscuits	2.57	2.53	2.53	2.55
Utd News	5.92	5.85	5.86	5.87
Vendome uts	5.55	5.51	5.52	5.50
Vodafone	2.32	2.27	2.32	2.24
Whitbread	6.90	6.85	6.89	6.88
Williams Hdgs	3.42	3.33	3.37	3.39
Wolseley	4.67	4.62	4.62	4.59
Yorkshire Elec	6.86	6.67	6.86	6.85
Zeneca	13	12.82	12.97	12.77

FT-SE 100 index: 3754.20
Previous: 3748.40

Madrid

	High	Low	Close	Prev.
Acerinox	12810	12620	12750	12580
ACESA	1335	1315	1325	1335
Argentaria	5140	5090	5140	5240
BBV	4530	4490	4525	4520
Banesto	882	858	876	849
Bankinter	12500	12380	12410	12510
Bco Centro Hisp	2485	2460	2470	2490
Bco Exterior	3260	3210	3260	3280
Bco Popular	22990	22820	22820	22900
Bco Santander	6110	6010	6070	6010
CEPSA	3225	3200	3205	3220
Corp Mapfre	6710	6570	6700	6530
Dragados	1700	1675	1675	1690
Endesa	7170	7130	7140	7170
FECSA	866	856	861	866
Fomento Const	10050	9860	9870	9900
Gas Natural	18600	18220	18470	18370
Hidrol Cantab	4165	4130	4165	4165
Iberdrola	1195	1170	1190	1185
Pryca	2540	2520	2535	2525
Repsol	4085	4040	4050	4065
Sevillana Elec	930	925	930	930
Tabacalera	4830	4800	4810	4855
Telefonica	1845	1825	1830	1860
Union Fenosa	705	695	698	704
Valenc Cement	1415	1400	1415	1420

Stock Exchange index: 330.28
Previous: 330.54

Manila

	High	Low	Close	Prev.
Ayala A	22.25	21.75	22	21.75
Ayala Land	33.50	32	33	32
Manila Elec A	167	162	163	163
Metro Bank	540	530	540	530
Petron	14.50	14	14.50	14.25
Phil Long Dist	1615	1600	1610	1560
San Miguel A	57	56	57	55.50
San Miguel B	99	95	99	94.50
SM Prime Hdg	8.30	8.10	8.20	8.20

PSE index: 2831.15
Previous: 2764.52

Mexico

	High	Low	Close	Prev.
Alfa A	104.30	103.00	104.20	103.80
Cemex B	32.70	32.00	32.00	31.85
Cifra C	9.98	9.78	9.82	9.82
Empresas ICA	101.00	98.00	99.50	96.90
Emp Modemo	32.20	31.40	31.90	31.90
Femsa	22.00	21.30	21.85	21.50
Gpo Carso A1	55.00	52.80	52.80	54.00
Televisa CPO	100.00	97.00	99.50	97.00
TelMex L	12.56	12.24	12.50	12.16
Tribasa CPO	34.45	33.30	34.00	34.00

Bolsa index: 3067.48
Previous: 3058.42

Milan

	High	Low	Close	Prev.
Alleanza Assic	15265	14925	15105	15235
Bca Comm Ital	3540	3415	3440	3540
Bca Naz Agricol	1100	1075	1075	1090
Bca Naz Lavoro	12000	11790	11910	12100
Bca di Roma	1650	1582	1583	1625
Bco Ambrosiano	4625	4450	4590	4700
Benetton	18800	18350	18350	18900
Credito Italiano	1960	1908	1908	1961
Enichem Aug.	3300	3300	3300	2300
Fiat	5530	5355	5390	5470
Fondiaria	7780	7550	7620	7800
Generali Assic	39900	39200	39350	39950
IFIL	5050	4850	4860	4990
Italcementi	10820	10350	10500	10585
Italgas	5085	4960	5050	5055
Mediobanca	11250	10800	10800	11100
Montedison	1041	996	1016	1017
Olivetti	1093	1048	1052	1060
Pirelli	2190	2125	2135	2175
RAS	17650	17315	17315	17590
Rinascente	10285	10000	10100	10205
S Paolo Torino	9795	9600	9740	9795
SME	1700	1650	1665	1685
Standa	21550	21550	21550	22500
Stet	4800	4660	4665	4750
Telecom Italia	2750	2630	2700	2710
Toro Assic	22200	20900	21700	21250

MIB Telematico index: 9717.00
Previous: 9833.00

Montreal

	High	Low	Close	Prev.
Alco 1	19⅝	19⅜	19⅝	19½
Bank Montreal	32⅜	32¼	32⅜	32¼
Bce Mob Com	46½	46½	46½	47
Cdn Tire A	15	15	15	15
Cdn Util A	26¼	26⅛	26¼	26⅛
Cascades	6⅞	6⅞	6⅞	6⅞
CT Finl Svc	24¼	24¼	24¼	24¼
Extendicare	30	29⅞	29⅞	30
Gaz Metro	15⅛	14⅞	15	15
Gt-West Lifeco	29⅛	29⅛	29¼	29⅛
Hees Intl Bcp	14½	14¼	14½	14⅛
Hudsons Bay	19	18⅞	18½	19
Imasco	26⅛	26¼	26½	26⅛
Investors Grp	16⅛	16½	16⅛	16⅛
Loblaw Cos	33	33	33	33⅛
Molson A	23½	23⅞	23⅛	22⅞
Natl Bk Canada	11⅜	11¼	11⅛	11¼
Oshawa A	N.T.	N.T.	N.T.	22½
Pancdn Petlm	51	51	51	51
Power Corp	19⅛	19½	19⅛	19⅛
Power Finl	33	32⅞	33	33
Quebecor B	21⅞	21½	21½	21¼
Rogers Comm B	16	15⅞	16	15⅞
Royal Bk Cda	32½	32	32	32¼
Sears Canada	6½	6	6	6
Shell Cda A	42	41¾	41¾	42½
Southam	14½	14	14⅛	14⅛
Stelco A	6⅛	5⅞	6⅛	5⅞
Trilon Finl A	4.40	4.40	4.40	4.45

Industrials index: 2320.44
Previous: 2300.87

Oslo

	High	Low	Close	Prev.
Aker A	88	87	87.50	88
Bergensen Dy B	130.50	130.50	130.50	130
Christiania Bk	15.60	15.40	15.50	15.40
Den Norske Bk	17.50	17.30	17.50	17.60
Dl Norsk Luft	296	294	294	299
Dyno Indust	141	140	140	140
Elkem	70.50	67.50	68	69
Hafslund A	182	179	181	180.50
Kvaerner	214	209	209	213
Leif Hoegh	93.50	93.50	93.50	94
Norsk Hydro	276	274	274	274.50
Norske Skog A	178	176	178	174.50
Orkla	310	308	308.50	309
Rieber B	N.T.	N.T.	N.T.	128
Saga Petlm B	77.50	75	76	76
Schibsted	87	86.50	86.50	87
UniStorebr A	34.40	33.80	33.90	33.90

OBX index: 414.98
Previous: 416.22

Paris

	High	Low	Close	Prev.
Accor	668	685	666	661
AGF	158.80	151.50	153	158.50
Air Liquide	894	878	880	895
Alcatel Alsth	431	426.50	430.90	427.30
Axa	330.90	328.40	329	328
Bancaire	517	502	506	515
BNP	205.90	199	201	206.40
Bouygues	527	506	523	517
Canal Plus	1006	997	999	1018
Carrefour	3290	3235	3248	3269
CCF	249.40	245	247.50	246
CarnaudMB	224.30	224.20	224.20	224.30
Credit Local cl	418	407.10	416.80	411
Credit Lyon PC	242.90	233.50	240	233.10
Danone	813	805	810	810
Elf-Aquitaine	376.40	373.20	374.50	376
Eridania BS	870	851	855	865
Euro Disney	11.70	11.28	11.55	11.20
Eurotunnel uts	6.25	6.05	6.15	6.15
Gen. Eaux	527	510	526	516
Havas	411	402.10	407.50	410.90
Lafarge Cop	317.80	311.60	316.50	311.50
Legrand	847	831	842	836
Loreal	1436	1401	1432	1428
LVMH	1146	1114	1114	1143
Lyon. Eaux	463	453	457	470
Michelin B	204.40	199.10	201.80	204.40
Navig Mixte	674	663	671	671
Paribas A	269.40	266.10	267	269.50
Pechiney Intl	86	85	85	85
Pernod Ricard	308.90	305	305	309.40
Peugeot Cit	713	702	706	712
Pinault-Print	1156	1133	1148	1135
Promodes	1320	1300	1307	1325
Renault	150	147.90	148.60	152
Rh-Poulenc A	106.30	104.80	105.80	106.50
Roussel-Uclaf	914	890	907	894
Sanofi	339	333.50	335.90	338
Schneider	195	192.40	194	195
Ste Generale	615	604	607	618
St Gobain	590	582	587	589
St Louis	1458	1440	1453	1454
Suez	188	184.50	185.80	187.60
Thomson CSF	118.60	115.80	118.60	115.80
Total B	351.70	343.50	343.50	346
UAP	117.40	114.80	117	115
Valeo	256	248.10	252	246.50

CAC-40 index: 1954.42
Previous: 1965.26

São Paulo

	High	Low	Close	Prev.
Bco Brasil Pfd	12.29	12.01	12.28	12.29
Banespa Pfd	5.35	5.25	5.30	5.30
Bradesco Pfd	9.99	9.64	9.95	9.75
Brahma Pfd	470	459	469	466
Cemig Pfd	24.30	24	24	24.30
CESP Pfd	28.21	27.90	28.20	27.30
Eletrobras B	298	293	294	298
Itaubanco Pfd	329	315	329	318
Light	332	324	329	325
Paranapan Pfd	13	12.90	12.95	12.97
Petrobras Pfd	100	98	99	100
Sid Nacional	23.71	23	23.71	23.20
Souza Cruz	6	5.92	6	5.94
Telebras Pfd	53.70	52.30	52.85	52.30
Telesp Pfd	174	168	169	171
Usiminas Pfd	0.99	0.96	0.98	0.98
CVRD Pfd	167	160	166.50	166.50

Bovespa index: 48938.10
Previous: 49090.30

Seoul

	High	Low	Close	Prev.
Daewoo Heavy	8000	7790	7790	7900
Hyundai Eng	35200	35000	35000	35300
Hyundai Motor	32500	31600	32000	31900
Korea El Pwr	29000	28300	28800	28300
Korea Mob Tel	592000	575000	579000	582000
LG Electronics	24000	23400	23400	23900
Pohang Iron St	55300	52600	54600	52500
Samsung Elec	129000	125500	127000	128000
Samsung Hvy	19000	18600	18700	18800
Yukong	23500	22600	22400	23200

Composite index: 842.80
Previous: 842.72

Singapore

	High	Low	Close	Prev.
Cerebos Pac	11.80	11.30	11.80	11.40
City Devlts	12	11.30	11.70	11.20
Cycle Carriage	17	16.40	16.80	16.20
Dairy Farm Intl *	1.03	1.01	1.01	1
DBS	10.60	10.40	10.50	10.50
DBS Land	5.35	5.20	5.35	5.30
Fraser & Neave	19.80	19.30	19.80	19.30
HK Land *	2.19	2.10	2.18	2.10
Hong Leong Fin	3.98	3.90	3.98	3.90
Jard Matheson *	8.10	7.85	8.10	7.75
Jard Strategic *	3.40	3.30	3.40	3.28
Keppel	13.30	12.70	13.20	12.70
Natsteel	2.98	2.87	2.87	2.96
Neptune Orient	1.65	1.63	1.63	1.64
OCBC foreign	19.10	18.90	18.90	18.70
OSea Union Bk	7.10	7	7.05	7
Sembawang	8.70	8.55	8.65	8.55
Sing Airlines F	14.40	14	14.10	13.90
Sing Petlm	1.77	1.76	1.77	1.76
Sing Press F	26	25.30	25.60	25.40
ST Auto F	3	2.96	3	2.92
ST Ship	2.80	2.75	2.75	2.76
Sing Telecomm	3.40	3.32	3.38	3.34
Straits Steam	4.88	4.72	4.88	4.66
Utd Industrial	1.49	1.47	1.49	1.49
Utd OSea Bk F	15.10	14.80	14.80	14.80
Wing Tai Hdgs	3.22	3.16	3.20	3.20

*: In U.S. dollars.
Straits Times index: 2448.52
Previous: 2403.16

Stockholm

	High	Low	Close	Prev.
AGA BF	93.50	92	92.50	93
Asea AF	670	660	663	669
AssiDoman F	137	135	136	136
Astra AF	258.50	253.50	256	255
Atlas Copco AF	98	96	97	98
Avesta F	56	55	55.50	55.50
Electrolux BF	290	281.50	282	290.50
Ericsson BF	131	127.50	129	129
Gambro BF	153	152	152.50	152.50
Hennes BF	385	382	383	385
Incentive AF	300	297	299	302
Investor BF	211	208	210	209.50
Kinnevik BF	197.50	184	191	197
MoDo BF	301	296	301	297
Sandvik BF	114.50	113	113	115
SCA BF	100.50	98	99.50	99
S-E Banken AF	54.50	52	52.50	55
Skandia Fors F	183.50	179.50	179.50	184.50
Skanska BF	220	214.50	215	221.50
SKF BF	125	122.50	124	125.50
SSAB BF	67.50	66	67	68
Stora AF	76.50	73.50	74.50	75.50
Sv Handles AF	132.50	129	129.50	134
Sydkraft AF	138	136	137	137
Trelleborg BF	71.50	70.50	71.50	71
Volvo BF	129	127	128	130.50

SX 16 index: 1801.47
Previous: 1816.71

Sydney

	High	Low	Close	Prev.
Amcor	9.94	9.84	9.90	9.84
ANZ Bkng	6.66	6.51	6.61	6.56
BHP	18.79	18.60	18.75	18.59
Boral	3.38	3.31	3.35	3.40
Brambles Ind.	15.70	15.60	15.70	15.60
Burns Philp	3	2.80	2.83	2.91
CBA	11.43	11.33	11.37	11.40
CC Amatil	12.20	11.91	11.91	11.90
Coles Myer	4.32	4.25	4.28	4.29
Comalco	6.50	6.40	6.45	6.60
CRA Ltd	19.20	18.98	18.98	19.10
CSR	4.58	4.46	4.47	4.50
Fosters Brew	2.31	2.29	2.30	2.29
GIO Australia	3.28	3.22	3.26	3.26
Goodman Fld	1.31	1.29	1.31	1.30
ICI Australia	10.68	10.49	10.66	10.50
John Fairfax	2.92	2.90	2.92	2.90
Lend Lease	20.40	20.16	20.20	20.20
Mayne Nickless	5.87	5.83	5.84	5.80
MIM Hdgs	1.75	1.72	1.75	1.72
Nat Aust Bank	12.61	12.52	12.59	12.53
News Corp	7.42	7.31	7.42	7.32
North Ltd	3.70	3.57	3.66	3.56
Pacific Dunlop	3.30	3.27	3.29	3.27
Pioneer Intl	3.60	3.55	3.58	3.57
Placer Pacific	3.21	3.14	3.20	3.08
Santos	4.06	3.98	4.06	3.98
Southcorp	3.32	3.26	3.27	3.28
Wesfarmers	8.58	8.45	8.58	8.40
Wstrn Mining	8.30	8.12	8.20	8.06
Westfield Trt	2.49	2.47	2.47	2.48
Westpac Bkng	6.22	6.17	6.22	6.20
Woodside Pet	7.03	6.94	7.03	6.90
Woolworths	3.38	3.35	3.37	3.36

All Ordinaries index: 2248.40
Previous: 2247.10

Taipei

	High	Low	Close	Prev.
Asia Cement	42.80	42.40	42.60	42.80
Cathay Life Ins	123	122	123	122
Chang Hwa Bk	100.50	99.50	100.50	100
China Steel	21.10	20.80	20.90	20.90
Chiao Trust	42.60	42.20	42.40	42.40
Evergreen	44.80	44.20	44.50	44.50
Far East Text	25.20	24.80	25	24.90
First Bank	102.50	101	102	102
Formosa CF	23.40	23	23	23.20
Hua Nan Bk	86	85	86	85.50
Hualon Teijran	19.10	18.80	18.90	18.90
ICBC	75	74	75	75
President Ent	32.70	32.40	32.60	32.40
Taiwan Cemt	36.30	35.90	36.10	36.20
Tatung	51	50	50	50.50

Stock Market index: 5809.80
Previous: 5837.25

Tokyo

	High	Low	Close	Prev.
Ajinomoto	1170	1150	1150	1160
All Nippon Air	1100	1030	1050	1100
Asahi Bank	1260	1220	1220	1280
Asahi Chem.	787	777	780	789
Asahi Glass	1200	1190	1190	1190
Bank of Tokyo	1730	1710	1710	1740
Bk Yokohama	842	835	835	840
Bridgestone	1600	1560	1570	1610
Canon	2040	2000	2030	2050
Chiba Bank	912	890	890	908
Chubu Elec	2480	2460	2470	2470
Chugoku Elec	2410	2390	2400	2390
Daiei	1270	1250	1250	1280
Daiichi Kang	1960	1920	1920	1980
Daiwa Bank	780	765	775	780
Daiwa House	1700	1680	1700	1700
Daiwa Sec	1550	1510	1510	1550
Fanuc	4600	4550	4550	4580
Fuji Bank	2290	2220	2240	2320
Fuji Photo	3100	3070	3070	3100
Fujitsu	1160	1140	1150	1150
Hitachi	1040	1020	1020	1020
Honda Motor	2250	2220	2240	2250
IBJ	2900	2800	2800	2880
IHI	445	435	443	443
Itochu	722	708	708	710
Ito-Yokado	6170	6110	6150	6180
JAL	715	705	710	705
Jusco	2750	2670	2670	2730
Kajima	1070	1020	1030	1080
Kansai Elec	2510	2480	2510	2510
Kao	1360	1330	1330	1350
Kawa Steel	357	352	354	354
KDD	8400	8250	8350	8550
Kinki Nipp Ry	795	783	793	794
Kirin Brewery	1220	1190	1210	1230
Kobe Steel	320	318	319	320
Komatsu	868	853	867	863
Kubota	668	652	652	662
Kyocera	7700	7600	7700	7640
Kyushu Elec	2460	2430	2440	2440
LTCB	780	760	771	761
Marubeni	556	538	543	565
Marui	2110	2040	2090	2110
Matsu Elec Ind	1740	1710	1730	1720
Matsu Elec Wk	1150	1140	1140	1150
Mitsubishi	1280	1260	1260	1280
Mitsubishi Bk	2340	2320	2320	2330
Mitsubishi Ch	522	515	517	526
Mitsubishi El	763	751	758	758
Mitsubishi Est	1310	1280	1290	1310
Mitsubishi Hvy	827	816	824	827
Mitsubishi Mat	852	840	840	849
Mitsubishi Tr	1740	1710	1720	1780
Mitsui	930	921	922	929
Mitsui Fudosn	1320	1290	1300	1330
Mitsui Trust	1080	1030	1030	1100
Murata Mfg	3700	3700	3700	3890
NEC	1310	1280	1310	1300
New Oji Paper	950	943	944	957
Nikko Sec	1290	1250	1260	1290
Nintendo	7890	7680	7740	7960
Nipp Credit Bk	412	401	401	412
Nipp Express	996	961	970	1010
Nippon Oil	601	595	596	596
Nippon Paper	720	711	716	716
Nippon Steel	358	353	353	354
Nippon Yusen	606	595	600	608
Nippondenso	2070	2020	2050	2060
Nissan Motor	840	823	834	839
NKK	289	285	286	289
Nomura Sec	2280	2240	2250	2290
NTT	8180a	8000a	8100a	8180a
Obayashi	855	837	840	859
Odakyu El Ry	710	697	698	705
Ono Pharm	3880	3810	3840	3850
Osaka Gas	378	374	378	378
Ricoh	1150	1130	1140	1150
Sakura Bk	1190	1170	1170	1200
Sankyo	2550	2510	2540	2530
Sanwa Bank	2010	1970	1980	2010
Sanyo Elec	635	622	627	629
Secom	6850	6730	6740	6800
Seibu Rwy	4890	4810	4810	4860
Sekisui House	1350	1330	1330	1360
Seven-Eleven	7180	7120	7120	7200
Sharp	1670	1640	1660	1680
Shimizu	1060	1030	1040	1060
Shin-etsu Ch	2150	2110	2150	2130
Shizuoka Bk	1300	1280	1290	1270
Sony	6530	6430	6500	6510
Sumitomo	1090	1080	1080	1080
Sumitomo Bk	2090	2040	2040	2120
Sumit Chem	522	503	510	526
Sumitomo Elec	1310	1290	1300	1310
Sumit Metal	327	323	326	327
Sumit Trust	1390	1360	1360	1440
Taisei	730	700	700	728
Taisho Pharm	2070	2000	2020	2070
Takeda Chem	1640	1600	1600	1660
TDK	5400	5280	5310	5320
Tohoku El Pwr	2500	2480	2490	2480
Tokai Bank	1360	1310	1330	1330
Tokio Marine	1340	1320	1320	1320
Tokyo El Pwr	2760	2730	2750	2740
Tokyo Gas	371	368	371	370
Tokyu	731	718	719	730
Tonen	1560	1530	1550	1530
Toppan Print	1410	1380	1400	1380
Toray Ind	689	680	682	680
Toshiba	832	825	832	828
Toyo Seikan	3220	3110	3180	3220
Toyo Trust	963	944	945	954
Toyota Motor	2270	2250	2250	2270
Yamaichi Sec	812	800	803	814
Yamanouchi	2320	2280	2280	2300
Yasuda Fire	757	752	755	755
Yasuda Trust	566	553	558	583

a: x 100
Nikkei 225 index: 20196.53
Previous: 20045.76

Toronto

	High	Low	Close	Prev.
Abitibi Price	21¼	20½	21⅛	20⅞
Air Canada	4⅝	4.70	4.70	4⅝
Alberta Energy	23	22⅞	22⅞	23
Alcan Alum	42	41⅜	42	41⅞
Avenor A	23⅞	23½	23⅞	23⅞
BK Nova Scotia	32	31⅞	31⅞	32
Barrick Gold	40½	39⅞	40⅛	39
BCE	47	46⅞	46⅞	46⅞
BC Telecomm	25⅞	25½	25⅞	25⅛
Bombardier B	19⅛	18⅞	19⅛	19
Brascan A	22⅛	22	22⅛	22⅞
Cameco	56⅛	55⅞	56⅛	56
CIBC	42½	42	42⅛	42½
Cdn Airlines	2⅞	2½	2⅞	2.70
Cdn Nat Res	20⅞	20⅝	20⅝	20⅝
Cdn Occid Pet	45	44½	44⅞	44⅞
Cdn Pacific	25¼	25	25⅜	25¼
Cominco	26⅛	26⅛	26⅛	26⅛
Consumers Gas	19⅛	18⅞	19	18⅞
Dofasco	19⅜	18⅞	19⅛	18⅞
Dorman Ind B	9⅝	9⅝	9⅝	10
Du Pont Cda A	24⅛	24½	24⅛	24½
Echo Bay Min	17⅛	16⅞	17⅛	16⅞
Empire Co. A	12⅞	12½	12⅞	12⅞
Falconbridge	29⅛	29	29⅛	29⅛
Fletcher Chall A	19⅝	19½	19½	19⅝
Franco Nevada	82¼	81	82¼	81
Guardian Cap A	N.T.	N.T.	N.T.	10
Hemlo Gold	16⅛	16⅛	16⅛	16
Horsham	19⅛	19⅛	19⅛	19
Imperial Oil	48½	48⅛	48½	48⅛
Inco	45⅛	44⅝	45½	44⅞
IPL Energy	33⅞	33⅜	33⅜	33⅞
Laidlaw A	13⅜	13⅛	13⅜	13⅜
Laidlaw B	13⅜	13⅛	13⅜	13⅜
Loewen Group	33¼	33	33¼	33⅛
Ldn Insur Gp	27⅛	27	27⅛	27
Macmill Bld	17⅛	17	17⅛	17⅛
Magna Intl A	58	56¼	58	55⅞
Maple Leaf Fds	6½	6⅛	6⅜	6½
Moore	24⅛	23⅞	24⅛	23⅞
Newbridge Net	68⅛	66⅛	68⅛	66⅞
Noranda Inc	26½	25⅞	26⅛	25⅞
Noranda Forest	8⅞	8½	8⅞	8⅞
Norcen Energy	19⅛	19⅛	19⅛	19⅛
Nthern Telecom	60	59⅞	59⅞	59⅞
Nova	11⅞	11⅛	11½	11⅛
Onex	14⅞	14⅛	14⅞	14⅛
Placer Dome	38⅛	37⅛	38⅛	36⅞
Potash Sask	88⅞	87½	87⅞	88⅛
Provigo	8⅛	7⅞	7⅞	8⅛
Quebecor Print	24	23⅞	23⅞	23⅞
Renaissance	33⅜	33	33⅛	33⅜
Rio Algom	23⅝	23½	23½	23⅝
Seagram Co	49⅛	48⅞	48⅞	49⅛
Stone Consold	18	17⅞	18	17⅞
Talisman Eny	29⅛	29⅛	29⅜	29⅛
Teleglobe	19½	19⅛	19½	19½
Telus	16⅛	16	16½	16½
Thomson	19⅛	19⅛	19⅛	19⅛
TorDom Bank	25⅛	24⅞	25⅛	25⅛
Transalta	15⅛	15⅛	15⅛	15⅛
TransCda Pipe	19⅞	18⅞	19⅞	19⅞
Utd Dominion	28½	28¼	28⅜	28½
Westburn	8⅞	8⅞	8⅞	8⅞
Westcoast Eny	21⅜	21⅛	21⅜	21⅛
Weston	49¼	47½	49¼	47⅞

TSE Industrials index: 4840.96
Previous: 4827.86

Vienna

	High	Low	Close	Prev.
Aust Airlines	1910	1910	1910	1909
Brau-Un Goess	499	493	498	496
Boehl Vers Pfd	444	444	444	443
Creditanst PC	1630	1615	1629	1630
EA-Generali	3480	3410	3470	3450
EVN	1320	1294	1303	1305
Interunfall	1625	1625	1625	1600
Lenzing	900	893	899	905
Leykam	379	360	379	378
Mayr-Melnhof	550	534	548	529
OEMV	970	945	955	952
Oest Brau-Bet	478	475	478	475
Oest Elektriz	648	641	645	643
VA Tech	1382	1365	1373	1375
Wienerberger	2335	2290	2295	2400

ATX index: 1058.45
Previous: 1052.12

Wellington

	High	Low	Close	Prev.
Air N Zeald B	3.57	3.53	3.54	3.58
Brierly Invt	1.25	1.24	1.24	1.25
Carter Holt ord	3.00	2.98	2.98	2.96
Fernz	4.12	4.10	4.12	4.12
Fisher Paykel	4.75	4.75	4.75	4.72
Fletcher Chall	3.41	3.38	3.41	3.34
Fletcher For	2.11	2.09	2.09	2.11
Goodman Fdlr	N.T.	N.T.	N.T.	1.48
Indep News	4.98	4.98	4.98	4.98
Lion Nathan	3.48	3.47	3.48	3.47
Nat Gas note	1.96	1.96	1.96	1.96
NZ Refining	24.00	23.70	23.70	23.50
Telecom NZ	6.33	6.28	6.28	6.38
Trust Bk NZ	2.05	2.03	2.04	2.04
Wilson Horton	9.15	9.14	9.14	9.15

NZSE-40 index: 2087.59
Previous: 2078.74

Zurich

	High	Low	Close	Prev.
Adia B	203	194	200.50	192
Alusuisse R	930	915	929	915
Ares-Serono B	815	810	810	810
Baer Hdg B	1260	1240	1259	1260
Baloise Hdg R	2400	2355	2390	2380
BBC B	1405	1380	1388	1406
Bk Vision	1575	1558	1558	1578
Bobst B	1925	1910	1900	1925
Ciba Geigy R	988	972	973	998
CS Holdings R	114.50	113.50	114	115
Elektrowatt B	418	412	415	415
Fischer B	1510	1480	1480	1505
Hilti PC	909	903	903	902
Holderbank B	870	850	866	851
Landis Gyr R	945	945	945	945
Merkur Hdg R	265	260	263	262
Nestle R	1259	1242	1258	1250
Oerlikon R	108	107	108	108
Pargesa Hld B	1510	1500	1500	1520
Pharma Vision B	6200	6100	6130	6090
Pirelli B	134	132.50	132.50	130
Roche Hdg PC	9010	8950	8990	8950
Safra Republic	115	111	115	110
Sandoz R	1061	1044	1061	1040
SBC B	450	442	443	448
Schindler B	1265	1245	1255	1245
SGS B	2370	2310	2310	2300
SMH B	714	700	708	698
Sulzer R	774	752	752	770
Swiss Reins R	1205	1190	1193	1201
Swissair R	1005	993	1000	1000
UBS B	1334	1322	1324	1333
Winterthur B	795	786	795	795
Zurich Assur R	320	314	320	317

SPI index: 2123.44
Previous: 2123.28

EUROPE

Orange to Go Public

25% Stake Set for March Sale

Bloomberg Business News

LONDON — Hutchison Whampoa Ltd. and British Aerospace PLC said Monday that they would sell 25 percent of Orange PLC, a key player in Britain's mobile-telephone industry, for about £500 million ($755 million).

Hutchison, the Hong Kong-based holding company controlled by the billionaire Li Ka-shing, said the Orange stake would be sold to investors in North America, Europe and Asia in March and would trade on the London Stock Exchange and the Nasdaq system in the United States.

Hutchison owns 68 percent of Orange while BAe owns the remaining 32 percent. Orange is valued by analysts at between £2 billion and £3 billion and many believe it will start making a profit by 1998. Orange has said that its revenue-per-subscriber averaged £37 per month in 1995.

The company, which changed its name to Orange PLC from Hutchison Telecommunications (U.K.) Ltd., has invested £1.1 billion in its mobile network. In November, it arranged for $1.9 billion in credit from U.S. banks.

If the sale goes as expected, Orange would receive a listing on the FT-SE 100 share index, which includes the British stocks with the largest market capitalizations, and Hutchison would get an exceptional profit boost to balance dwindling real estate earnings in Hong Kong.

"One of the key aims of the flotation was to crystallize the value of the businesses," said Hans Snook, managing director of Orange.

Orange began selling mobile-phone service in Britain in 1994, injecting fresh competition into what had become a mature market dominated by Vodafone Group PLC and Cellnet Group Ltd. Its innovation and principal selling point was that it billed by the second rather than by the minute. It has 400,000 subscribers, or 7 percent of the British mobile-phone market, and said Monday it had added 20,000 subscribers this month.

Mr. Snook said Orange planned to expand into continental Europe and elsewhere internationally. Germany, Italy, Spain, France, Portugal, Denmark, Sweden and Finland are among nations planning to put new digital mobile-telephone licenses out for bids during the next few years.

"It's unlikely we wouldn't bid for those licenses," said Mr. Snook. "We believe that in the future, a large proportion of data and voice will be carried over wire-free services."

British Economy Slows

Compiled by Our Staff From Dispatches

LONDON — The pace of economic growth in Britain during the fourth quarter slowed to its lowest level since the first quarter of 1993, according to official figures released Monday.

The Central Statistical Office's first estimate of economic growth showed that gross domestic product rose 0.4 percent in the fourth quarter from the previous three months, in line with expectations and the 15th consecutive quarterly increase.

But the annual growth rate slowed to 1.8 percent in the three months through December from 2.1 percent in the third quarter, the third consecutive quarterly slowdown, the statistics office said.

For the full year, the economy expanded 2.6 percent, down from the Treasury's latest forecast of 2.75 percent growth and down from 4.1 percent in 1994.

The figures, which are adjusted for seasonal factors, may be revised Feb. 22, when the second estimate is scheduled for release.

The growth data come a week after the chancellor of the Exchequer, Kenneth Clarke, cut interest rates by a quarter of a point for the second time in two months, to 6.25 percent. Mr. Clarke had not seen the latest figures before he made his decision, the statistics office said.

Jonathan Loynes, an economist at HSBC Holdings PLC, said the data were "worryingly weak," adding that there was a clear threat that growth would remain low over the next few quarters as companies cut production to reduce inventories But Michael Saunders, an economist at Salomon Brothers Inc., said recent surveys showed the economy was not at risk of recession.

"With interest rates falling — and probably one further cut to come — the economy is likely to recover modestly once the stock shakeout is past," he said. *(Bloomberg, AFP)*

Germany Expecting Economic Growth Of Just 1.5% in 1996

Compiled by Our Staff From Dispatches

BONN — The German government is now expecting a rise of only 1.5 percent in inflation-adjusted gross domestic product this year, the German news agency DPA said on Monday, after officials said earlier this month that the growth rate would be less than 2 percent.

The German news agency quoted the government's draft annual report on the economy that is to be issued on Jan. 30.

Nevertheless the Bundesbank president, Hans Tietmeyer, said Monday that he remained optimistic about German economic growth prospects, citing a normalization of the Deutsche mark's exchange rate and hopes for appropriate wage agreements this year.

"There is good reason to interpret the perspectives for economic growth in a more favorable light for the remainder of this year," he said.

But, according to DPA, the new report said that GDP growth in West Germany would rise only 1 percent this year, while growth should be 4 percent to 6 percent in the former East Germany.

Early this month, Economics Minister Günter Rexrodt publicly acknowledged that German GDP would increase by less than 2 percent this year.

Economists generally believe that economic growth on the order of 3 percent is needed to make inroads on unemployment.

DPA said that, in fact, the draft report predicted a marked rise in unemployment this year, with an average rate of 9 percent in West Germany and 15.5 percent in East Germany. In December, the jobless rates were 8.7 percent in the west and 14.9 percent in the east.

The new report also forecast a rise in German exports of 3.5 percent to 4.5 percent this year, and a rise in imports of 3 to 4 percent. As a result, the trade surplus should total 40 billion to 45 billion DM ($27.0 to $30.4 billion), up from 33.1 billion DM last year.

Meanwhile, German steelworkers put down their tools on Monday to protest planned changes to retirement laws that they fear will lead to layoffs, only one day before Chancellor Helmut Kohl meets unions to discuss saving jobs.

Metal-industry workers, led by IG Metall, the country's largest union, launched strikes and occupied smelting plants across Germany's Ruhr industrial heartland.

At the heart of the protests were government plans to raise the age at which workers can take early retirement and to scale down pension and welfare payments for those who do.

IG Metall has made the fight against cuts in unemployment benefits a key pillar of its Alliance for Jobs proposal that it will discuss on Tuesday night with employers and Mr. Kohl.

Union officials on Monday condemned Bonn's plans, saying they would lead to unacceptable hardship for workers who could face several years without sufficient funds following early retirement or layoffs.

Officials said they also feared a wave of firings of young workers, who would be less costly to lay off than older ones. Companies could find themselves embroiled in legal battles as older workers challenge them for taking on young employees, union officials warned.

The government says reform is vital. Public coffers have been tapped by companies using the social-welfare system to cushion the cost of layoffs and to get rid of old workers. The government says that is an abuse of a system intended to help workers, not subsidize business restructuring.

"We have to act now or our pension funds will be bled dry," Labor Minister Norbert Blüm said Monday, adding that the 300,000 workers who took early retirement in 1995 would cost the state 66 billion DM.

IG Metall, which last year won a 4 percent pay rise, has offered to limit its 1997 wage demand to inflation. But the deal depends on the government leaving benefits alone and employers creating 330,000 new jobs over three years. *(Reuters, AFP, AFX)*

Market Sees Bidding War For Bank In Portugal

Reuters

LISBON — Banco Português de Investimento's 132 billion escudo ($868.9 million) bid for Banco Fomento & Exterior SA is conservatively priced, and could prompt rival offers, analysts said Monday.

Banco Português de Investimento announced after the close of trading on Friday that it would offer 1,650 escudos per share for up to 100 percent of Banco Fomento & Exterior, about 80 percent of which is controlled either directly or indirectly by the state.

Shares in Banco Fomento & Exterior rose above the offer price, analysts said, indicating that the market thinks another company will bid.

"The speculation seems to believe that a counteroffer will be made," said John Ferreira of Carnegie Securities in London.

The bid, if successful, would create Portugal's fourth-largest banking company and be a significant step towards concentration in the country's financial sector.

Any counterbid must be priced at least 5 percent above the initial offer, according to Portuguese rules.

"It looks like a good deal from BPI's point of view. The price is attractive. If I were a BPI shareholder, I would be holding on to my stock," Mr. Ferreira said.

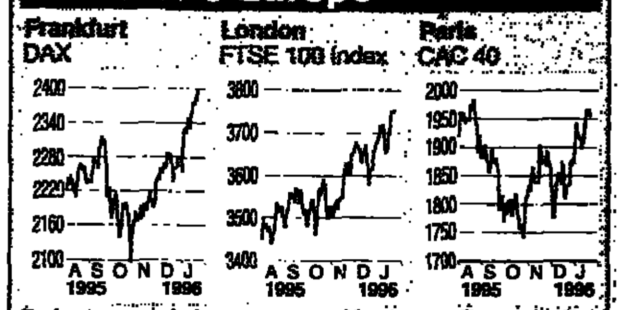
Analysts said the bid was less aggressively priced than the last major takeover in the banking sector when Banco Comercial Português SA bid successfully for Banco Português do Atlântico SA.

"The price offered by BPI is not very high and could stir other interests," said Joao Vermelho, an analyst with Central de Investimtos.

Possible rival suitors for Banco Fomento & Exterior, which traditionally specialized in export financing before widening its business activities in recent years, include Banco Espírito Santo, Banco Finantia, a privately owned banking group, and even the Spanish government-controlled banking company Argentaria Corporación Bancaria de España SA group, analysts and Portuguese press reports said.

Analysts said a merger of Banco Português de Investimento and Banco Fomento & Exterior would be a good fit. "At operating level, they are highly complimentary," said Mari Vargas of Dillon Read.

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	EOE	508.43	508.58	-0.03
Brussels	Stock Exchange	8,938.83	8,910.87	+0.31
Frankfurt	DAX	2,390.53	2,398.79	-0.34
Copenhagen	Stock Market	387.58	387.73	-0.01
Helsinki	HEX General	1,702.71	1,710.65	-0.46
Oslo	OBX	414.90	416.22	-0.32
London	FTSE 100	3,754.20	3,748.20	+0.16
Madrid	Stock Exchange	336.28	330.54	-0.06
Milan	MIBTEL	9,717.00	9,833.00	-1.18
Paris	CAC 40	1,954.82	1,964.28	-0.50
Stockholm	SX 16	1,801.47	1,816.71	-0.84
Vienna	ATX	1,050.45	1,052.12	-0.16
Zurich	SPI	2,123.44	2,123.28	+0.01

Source: Telekurs — International Herald Tribune

Very briefly:

- Nestlé SA, the world's largest food company, said 1995 sales fell 1 percent, to 56.4 billion Swiss francs ($47.28 billion), as the strength of the Swiss currency eroded the franc value of overseas income. Sales rose 10 percent at constant exchange rates.
- **Bremer Vulkan AG** stock plunged 32 percent, to 25.10 Deutsche marks ($16.99) after the business newsletter **Platow Brief** said the shipbuilder was on the brink of bankruptcy.
- **The European Commission** is expected to approve on Wednesday a 15 billion franc ($2.97 billion) state aid package to the French bank **Comptoir des Entrepreneurs.**
- **The Beirut Stock Exchange** reopened on Monday after closing nearly 13 years ago amid civil war in Lebanon.
- **Crédit Lyonnais** is to sell most of its majority stakes in the Bank of Tahiti and the Bank of New Caledonia to Bank of Hawaii, financial details were not disclosed.

AFX, Bloomberg, Reuters

Canal Plus to Buy Carolco

AFX News

PARIS — Canal Plus SA is to buy the Carolco catalogue of Hollywood films for at least $58 million, according to the French company's broadcasting rights unit.

"Basic Instinct," "Rambo" and "Terminator" are among the films in the catalogue, it said.

Canal Plus last week made an offer that was accepted by the administrators of Carolco, which collapsed in November, the Canal Plus unit said.

It added that the administrators would make a final decision on March 5 but that Canal Plus had the right to top any further offers from rival bidders such as Polygram NV and Viacom Inc.

The News Corp. unit 20th Century-Fox offered $50 million for Carolco, which also has studios in North Carolina.

Canal Plus, a pay-television company had a stake in Carolco as did the state-controlled Crédit Lyonnais bank.

AMEX

Monday's 4 p.m. Close

The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
[illegible]					

U. S. STOCK MARKET DIARY

Indexes — Dow Jones; Standard & Poors; NYSE; Nasdaq; AMEX; Dow Jones Bond

[illegible]

Most Actives — NYSE; Nasdaq; AMEX

[illegible]

Trading Activity — NYSE; Nasdaq; AMEX

[illegible]

Market Sales

	Today Close	Prev. cons.
NYSE	396.00	586.51
Amex	21.13	24.24
Nasdaq	445.05	571.12

In millions.

Dividends

[illegible]

a-annual; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cld - called. d - new yearly low. e - dividend declared or paid in preceding 12 months. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. P/E - price-earnings ratio. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Jan. 22, 1996

Grains

	High	Low	Close	Chge	Opint
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	3.62	3.55¾	3.57¾	-0.03	18,167
May 96	3.66	3.60	3.62	-0.03	115,780
Jul 96	3.62¼	3.55½	3.56¾	-0.04¼	84,739
Sep 96	3.11¼	3.05¼	3.06¾	-0.04	23,803
Dec 96	2.95	2.89	2.90¼	-0.04¼	52,154
Est. sales N.A. Fri's. sales 75,194					
Fri's open int 491,618 off 3474					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jan 96	237.00	233.50	234.00	-3.90	522
Mar 96	240.20	235.30	235.90	-4.50	51,159
May 96	241.70	237.00	237.70	-3.90	16,507
Jul 96	241.40	237.00	237.80	-3.30	15,342
Aug 96	238.00	235.00	235.10	-2.90	2,469
Sep 96	232.50	230.70	230.90	-2.10	2,067
Est. sales N.A. Fri's. sales 18,392					
Fri's open int 93,367 up 469					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Jan 96	23.70	23.40	23.55	-0.10	63
Mar 96	23.90	23.63	23.72	-0.07	45,563
May 96	24.25	24.01	24.08	-0.11	16,470
Jul 96	24.65	24.38	24.43	-0.13	13,036
Aug 96	24.71	24.57	24.59	-0.12	4,096
Sep 96	24.88	24.74	24.77	-0.10	2,038
Est. sales N.A. Fri's. sales 16,008					
Fri's open int 88,780 up 1268					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 96	7.36½	7.28½	7.31	-0.06¼	677
Mar 96	7.44½	7.32½	7.34	-0.11¼	94,244
May 96	7.49½	7.38¼	7.39½	-0.10½	28,672
Jul 96	7.58½	7.40½	7.41¼	-0.10¼	31,086
Aug 96	7.46	7.37	7.37	-0.09¼	2,939
Est. sales N.A. Fri's. sales 49,524					
Fri's open int 195,450 up 746					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 96	4.88	4.80½	4.82¼	-0.05	53,384
May 96	4.61	4.54¼	4.55¼	-0.04½	11,027
Jul 96	4.27	4.22	4.24½	-0.01½	22,001
Sep 96	4.27½	4.23¼	4.25½	-0.02	6,226
Est. sales N.A. Fri's. sales 18,473					
Fri's open int 105,997 up 781					

Livestock

	High	Low	Close	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Feb 96	65.30	64.27	64.57	-0.60	26,975
Apr 96	65.60	64.75	64.95	-0.42	20,314
Jun 96	61.95	61.45	61.47	-0.33	12,480
Aug 96	61.00	60.70	60.72	-0.15	5,536
Oct 96	62.20	61.90	61.95	-0.12	5,018
Dec 96	62.30	62.00	62.15	-0.07	2,811
Est. sales 13,099 Fri's. sales 8,951					
Fri's open int 73,431 off 151					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 96	60.00	59.75	59.77	-0.10	1,384
Mar 96	58.27	57.80	57.90	-0.22	7,755
Apr 96	58.45	58.02	58.02	-0.13	3,017
May 96	58.60	58.25	58.37	+0.07	3,422
Aug 96	59.85	59.50	59.65	-0.02	3,332
Sep 96	59.75	59.50	59.62	-0.08	443
Est. sales 2,389 Fri's. sales 2,454					
Fri's open int 20,043 up 527					
HOGS (CMER) 40,000 lbs.- cents per lb.					
Feb 96	45.25	44.50	45.20	+0.33	9,573
Apr 96	44.65	43.80	44.60	+0.53	10,464
Jun 96	49.87	49.15	49.70	+0.35	6,842
Jul 96	49.15	48.50	49.02	+0.45	2,212
Aug 96	48.07	47.40	47.87	+0.20	2,386
Oct 96	44.68	44.00	44.45	+0.28	1,765
Est. sales 7,403 Fri's. sales 10,452					
Fri's open int 35,651 off 161					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 96	53.50	51.62	53.45	+1.85	3,925
Mar 96	53.75	52.00	53.55	+1.50	1,411
May 96	54.60	52.65	54.35	+1.75	1,035
Jul 96	55.25	53.70	55.12	+0.97	806
Aug 96	53.15	51.95	53.02	+1.15	197
Est. sales 2,347 Fri's. sales 1,726					
Fri's open int 7,374 up 79					

Food

	High	Low	Close	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 96	1299	1273	1281	+7	35,129
May 96	1318	1295	1301	+5	22,395
Jul 96	1339	1316	1321	+6	8,379
Sep 96	1359	1338	1342	+6	9,370
Dec 96	1381	1375	1375	+6	8,454
Est. sales 10,164 Fri's. sales 6,896					
Fri's open int 91,469 up 779					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 96	107.80	104.25	107.50	+2.85	15,884
May 96	107.00	103.70	106.80	+2.90	6,346
Jul 96	106.50	103.75	106.10	-2.75	2,751
Sep 96	106.00	104.25	105.90	+2.90	1,561
Est. sales 7,880 Fri's. sales 7,419					
Fri's open int 27,452 off 426					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 96	11.57	11.34	11.56	+0.07	58,757
May 96	11.23	11.05	11.22	-0.05	28,641
Jul 96	10.17	10.04	10.16	+0.02	20,885
Oct 96	10.02	9.91	10.01	+0.03	20,104
Est. sales 25,129 Fri's. sales 31,554					
Fri's open int 143,555 off 1392					

	High	Low	Close	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Mar 96	117.00	114.75	115.10	-2.20	15,588
May 96	119.05	116.90	117.10	-2.50	3,383
Jul 96	121.15	119.00	119.08	-2.25	1,409
Sep 96	123.00	120.58	120.75	-2.10	1,183
Est. sales N.A. Fri's. sales 2,583					
Fri's open int 23,494 up 187					

Metals

	High	Low	Close	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Jan 96			402.40	+3.70	
Feb 96	403.70	399.90	403.50	+3.60	99,982
Mar 96	403.60	403.50	404.60	+3.80	
Apr 96	406.50	402.60	406.00	+4.00	34,878
Jun 96	408.40	404.50	408.00	+4.10	27,479
Aug 96	409.00	408.30	409.70	+4.10	10,862
Oct 96			411.30	+4.10	4,028
Dec 96	412.00	411.50	412.90	+4.10	13,328
Est. sales N.A. Fri's. sales 63,081					
Fri's open int 228,387 up 9168					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Jan 96	116.00	114.40	116.00	+0.50	1,782
Mar 96	113.30	111.30	112.75	+0.60	27,843
Apr 96	111.55	110.50	111.55	+0.50	901
May 96	111.00	109.30	110.45	+0.60	5,766
Jul 96	109.90	108.45	109.15	+0.50	2,860
Aug 96	108.00	108.00	108.60	+0.45	437
Sep 96	108.30	107.80	108.00	+0.55	2,644
Oct 96			107.35	+0.55	317
Nov 96			106.85	+0.55	
Est. sales N.A. Fri's. sales 4,390					
Fri's open int 49,673 off 16					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Jan 96	553.0	553.0	556.1	+12.5	148
Feb 96			558.3	+12.5	
Mar 96	560.0	549.0	559.5	+12.5	60,609
May 96	565.0	557.0	564.5	+12.6	12,095
Jul 96	569.0	561.0	568.7	+12.6	8,045
Sep 96			572.6	+12.6	8,973
Dec 96	577.0	573.0	578.6	+12.6	5,696
Jan 97			581.4	+12.6	
Est. sales N.A. Fri's. sales 17,273					
Fri's open int 99,433 up 1254					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 96			424.30	+7.20	
Apr 96	428.40	422.90	427.80	+7.20	18,578
Jul 96	429.00	427.00	429.50	+7.20	2,786
Oct 96	430.50	429.50	431.20	+7.20	1,130
Jan 97			432.80	+7.20	
Est. sales N.A. Fri's. sales 3,374					
Fri's open int 22,541 off 474					

LONDON METALS (LME) Dollars per metric ton	Close		Previous	
Aluminum (High Grade)				
Spot	1529.00	1530.00	1558.00	1559.00
Forward	1559.00	1559½	1586.00	1587.00
Copper Cathodes (High Grade)				
Spot	2519.00	2524.00	2555.00	2560.00
Forward	2457.00	2458.00	2489.00	2490.00
Lead				
Spot	710½	711½	717.00	718.00
Forward	706.00	706½	709.00	710.00
Nickel				
Spot	8130.00	8140.00	8320.00	8330.00
Forward	8220.00	8230.00	8400.00	8410.00
Tin				
Spot	6245.00	6255.00	6255.00	6265.00
Forward	6285.00	6290.00	6290.00	6295.00
Zinc (Special High Grade)				
Spot	1015½	1016½	1026.00	1027.00
Forward	1037.00	1038.00	1047.00	1048.00

Financial

	High	Low	Close	Chge	Opint
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 96	95.32	95.18	95.18	-0.06	8,613
Jun 96	95.49	95.45	95.45	-0.06	4,716
Sep 96	95.57	95.57	95.57	-0.05	556
Dec 96	95.60	95.60	95.60		
Est. sales N.A. Fri's. sales 1,379					
Fri's open int 15,385 up 45					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	110-23	110-115	110-125	-105	156,534
Jun 96	110-125	110-07	110-07	-10	13,705
Sep 96	110-09	110-06	110-06	-095	3,712
Est. sales 28,500 Fri's. sales 58,545					
Fri's open int 173,951 up 5409					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 96	115-00	114-13	114-14	-19	246,069
Jun 96	114-13	113-28	113-28	-19	24,757
Sep 96			113-30	-19	4,021
Est. sales 50,000 Fri's. sales 105,047					
Fri's open int 274,847 up 6570					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 96	121-14	120-16	120-17	-31	340,083
Jun 96	120-31	120-02	120-03	-31	26,571
Sep 96	120-14	119-19	119-19	-30	5,588
Dec 96			119-01	-30	1,301
Est. sales 255,000 Fri's. sales 408,920					
Fri's open int 374,746 up 4780					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Mar 96	112-08	111-22	111-26	-0-09	142,623
Jun 96	111-17	111-12	111-05	-0-09	543
Est. sales: 42,396. Prev. sales: 71,721					
Prev. open int.: 143,186 off 1,444					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar 96	101.02	100.74	100.86	-0.03	231,521
Jun 96	100.22	100.10	100.14	-0.03	9,244
Est. sales: 102,455. Prev. sales: 192,009					
Prev. open int.: 240,765 off 929					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 96	123.32	122.84	123.10	+0.04	
Jun 96	123.76	122.38	122.62	+0.08	
Sep 96	122.48	122.20	122.40	+0.06	
Est. volume: 200,572. Open int.: 138,099.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar 96	112.59	111.75	111.85	-1.12	63,443
Jun 96	112.00	111.40	111.42	-1.07	2,499
Est. sales: 39,556. Prev. sales: 53,377					
Prev. open int.: 65,942 off 899					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Feb 96	94.600	94.570	94.580	-30	17,286
Mar 96	94.710	94.680	94.690	-30	448,036
Apr 96	94.840	94.810	94.810	-40	2,927
Jun 96	95.060	95.010	95.020	-50	441,400
Sep 96	95.200	95.140	95.150	-50	282,983
Dec 96	95.130	95.080	95.090	-70	250,436
Mar 97	95.080	95.020	95.030	-80	176,334
Jun 97	94.970	94.910	94.920	-80	165,586
Est. sales N.A. Fri's. sales 526,715					
Fri's open int 2,564,327 up 30052					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Mar 96	1.5140	1.5032	1.5118	+58	43,058
Jun 96	1.5110	1.5050	1.5090	+58	225
Sep 96			1.5056	+58	5
Dec 96			1.5024	+58	30
Est. sales 18,013 Fri's. sales 16,897					
Fri's open int 43,318 up 2655					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 96	.7308	.7298	.7303	-18	24,527
Jun 96	.7306	.7295	.7299	-19	2,147
Sep 96	.7293	.7290	.7291	-19	609
Dec 96	.7280	.7280	.7281	-19	1,033
Est. sales N.A. Fri's. sales 2,180					
Fri's open int 28,432 up 287					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Mar 96	.6802	.6743	.6790	+19	80,214
Jun 96	.6832	.6802	.6823	+19	3,346
Sep 96			.6852	+19	1,358
Dec 96			.6881	+19	73
Est. sales N.A. Fri's. sales 32,365					
Fri's open int 84,891 up 1173					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Mar 96	.009561	.009500	.009531	-38	76,649
Jun 96	.009660	.009620	.009644	-38	3,425
Sep 96			.009749	-39	651
Est. sales N.A. Fri's. sales 14,497					
Fri's open int 80,909 off 2195					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 96	.8480	.8398	.8465	+41	42,295
Jun 96	.8550	.8509	.8538	+39	1,007
Sep 96			.8607	+39	88
Est. sales N.A. Fri's. sales 14,037					
Fri's open int 43,761 off 915					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar 96	93.93	93.91	93.93	+0.01	93,694
Jun 96	94.14	94.11	94.13	Unch.	78,618
Sep 96	94.17	94.12	94.14	-0.03	63,831
Dec 96	94.04	93.99	94.00	-0.04	44,172
Mar 97	93.82	93.76	93.77	-0.06	29,186
Jun 97	93.59	93.54	93.55	-0.05	28,269
Sep 97	93.38	93.30	93.34	-0.06	19,578
Dec 97	93.17	93.12	93.12	-0.07	14,139
Mar 98	93.01	92.95	92.96	-0.06	7,134
Jun 98	92.85	92.81	92.81	-0.06	4,856
Sep 98	92.72	92.68	92.68	-0.07	3,452
Dec 98	92.59	92.55	92.55	-0.06	2,531
Est. sales: 37,995. Prev. sales: 70,064					
Prev. open int.: 389,460 up 1,387					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Mar 96	96.68	96.65	96.65	-0.02	179,132
Jun 96	96.81	96.77	96.78	-0.03	166,720
Sep 96	96.81	96.75	96.75	-0.04	150,506
Dec 96	96.68	96.61	96.61	-0.07	145,644
Mar 97	96.48	96.42	96.43	-0.07	127,103
Jun 97	96.25	96.17	96.17	-0.10	112,428
Sep 97	95.97	95.88	95.88	-0.11	74,037
Dec 97	95.64	95.56	95.56	-0.12	49,969
Mar 98	95.35	95.27	95.27	-0.13	30,426
Jun 98	95.06	94.99	94.97	-0.13	26,488
Sep 98	94.77	94.69	94.68	-0.14	16,309
Dec 98	94.47	94.41	94.40	-0.11	6,833
Est. sales: 101,996. Prev. sales: 171,043					
Prev. open int.: 1,085,774 up 14,963					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 96	95.49	95.40	95.45	+0.02	
Jun 96	95.70	95.62	95.66	+0.01	
Sep 96	95.75	95.67	95.71	+0.01	
Dec 96	95.66	95.58	95.61	Unch.	
Mar 97	95.52	95.45	95.47	Unch.	
Jun 97	95.35	95.26	95.27	-0.02	
Sep 97	95.12	95.04	95.05	Unch.	
Dec 97	94.83	94.79	94.81	+0.04	
Est. volume: 52,232. Open int.: 190,866.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar 96	90.73	90.45	90.47	-0.27	49,921
Jun 96	91.15	90.96	90.97	-0.28	28,803
Sep 96	91.38	91.24	91.27	-0.21	16,260
Dec 96	91.48	91.37	91.37	-0.22	9,827
Mar 97	91.50	91.40	91.40	-0.19	4,477
Jun 97	91.49	91.37	91.38	-0.18	1,634
Est. sales: 23,100. Prev. sales: 21,276					
Prev. open int.: 109,922 up 3,218					
S&P COMP. INDEX (CMER) 500 x index					
Mar 96	615.95	612.90	615.15	+1.00	192,092
Jun 96	621.30	618.50	619.90	+0.30	6,497
Dec 96	629.70	627.80	627.70	-0.50	96
Est. sales N.A. Fri's. sales 79,494					
Fri's open int 201,429 up 220					
FTSE 100 (LIFFE) £25 per index point					
Mar 96	3785.0	3745.0	3774.5	+1.5	64,601
Jun 96	N.T.	N.T.	3777.0	+1.5	1,183
Est. sales: 7,934. Prev. sales: 12,469					
Prev. open int.: 66,784 up 840					
CAC 40 (MATIF) FF200 per index point					
Jan 96	1977.00	1963.00	1967.00	+3.00	
Feb 96	1983.00	1972.00	1974.00	+3.00	
Mar 96	1989.00	1978.00	1981.00	+3.00	
Jun 96	1963.50	1961.00	1958.00	+2.50	
Sep 96	1969.50	1969.50	1968.50	+2.50	
Est. volume: 13,437. Open int.: 63,846.					

Industrials

	High	Low	Close	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 96	85.00	84.80	84.32	-0.18	21,922
May 96	84.20	83.20	83.50		12,116
Jul 96	83.40	82.40	82.58	-0.27	7,539
HEATING OIL (NMER) 42,000 gal- cents per gal					
Feb 96	53.76	52.70	53.67	-0.55	30,587
Mar 96	52.30	51.50	52.20	-0.46	28,774
Apr 96	49.75	49.25	49.75	-0.46	12,829
May 96	47.85	47.45	47.90	-0.46	7,813
Jun 96	47.10	46.70	47.15	-0.41	9,681
Jul 96	47.00	46.70	47.05	-0.36	5,176
Aug 96	47.50	47.25	47.45	-0.36	3,253
Sep 96	48.20	47.90	48.15	-0.36	2,138
Oct 96	48.90	48.60	48.85	-0.36	1,831
Nov 96	49.40	49.25	49.50	-0.36	2,015
Oct 96	79.50	78.95	79.42	+0.22	1,754
Dec 96	77.60	77.15	77.33	-0.09	11,374
Mar 97	78.40	78.00	78.00	-0.15	1,003
Est. sales N.A. Fri's. sales 26,205					
Fri's open int 108,188 up 1800					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Jan 96	18.74	18.25	18.62	-0.32	19,401
Mar 96	18.18	17.80	18.15	-0.10	79,449
Apr 96	17.76	17.41	17.74	-0.07	44,103
May 96	17.57	17.28	17.53	-0.05	29,958
Jun 96	17.40	17.15	17.37	-0.04	37,531
Jul 96	17.20	17.06	17.27	-0.02	28,074
Aug 96	17.12	16.99	17.20	-0.01	17,131
Sep 96	16.98	16.93	17.14	-0.01	12,918
Oct 96	16.96	16.95	17.09	-0.01	11,508
Nov 96	16.95	16.90	17.04	-0.01	13,712
Dec 96	16.94	16.80	16.99	-0.01	32,208
Jan 97	16.93	16.82	16.98	-0.01	11,824
Feb 97	16.87	16.86	16.96	-0.01	
Est. sales N.A. Fri's. sales 114,545					
Fri's open int 399,833 up 463					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Feb 96	2.140	1.950	2.125	-43	26,291
Mar 96	1.965	1.856	1.955	-1	24,532
Apr 96	1.880	1.765	1.865		13,901
May 96	1.825	1.740	1.825		12,620
Jun 96	1.815	1.750	1.815		11,291
Jul 96	1.815	1.770	1.810	+5	8,849
Aug 96	1.815	1.780	1.812	+5	8,346
Sep 96	1.815	1.780	1.814	+5	6,884
Oct 96	1.840	1.820	1.853	+4	6,464
Nov 96	1.930	1.910	1.939	+3	4,345
Dec 96	2.035	2.020	2.038	+2	7,719
Est. sales N.A. Fri's. sales 33,608					
Fri's open int 155,349 off 1004					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Feb 96	55.20	54.25	54.88	-0.53	18,257
Mar 96	54.10	53.35	53.80	-0.61	19,807
Apr 96	56.35	55.40	55.78	-0.88	10,593
May 96	55.85	54.95	55.18	-0.92	7,176
Jun 96	55.20	54.35	54.43	-0.92	3,652
Jul 96	54.40	53.50	53.53	-0.92	3,465
Est. sales N.A. Fri's. sales 17,842					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Feb 96	156.50	155.00	155.50	-3.00	23,837
Mar 96	153.25	152.00	152.75	-2.50	12,676
Apr 96	150.00	149.25	150.00	-1.75	7,912
May 96	147.75	147.50	148.00	-1.50	3,193
Jun 96	146.50	146.50	147.00	-1.50	5,582
July 96	147.00	146.75	147.00	-1.50	4,357
Aug 96	148.25	148.00	148.25	-1.00	1,598
Sep 96	N.T.	N.T.	149.50	-1.00	510
Oct 96	151.00	151.00	151.00	-1.50	476
Est. sales: 14,318. Open int.: 63,136, off 178					

Commodity Indexes

	Close	Previous
Moody's	N.A.	1,439.00
Reuters	2,120.80	2,124.80
D.J. Futures	N.A.	146.82
CRB	240.87	240.63

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.707	0.709
Copper electrolytic, lb	1.19	1.19
Iron FOB, ton	167.00	167.00
Lead, lb	0.48	0.48
Silver, troy oz	5.51	5.47
Steel (scrap), ton	127.83	127.83
Zinc, lb	0.5154	0.5154

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

NYSE

Monday's 4 p.m. Close

Nasdaq prices supplied by the National Association of Securities Dealers, The Associated Press.

Continued on Page 16

Hanoi Plans Push For 15% Growth

Reuters

HANOI — Vietnam plans a huge industrial growth drive between now and the end of the century, official reports said Monday.

Amid signs Hanoi's 10-year embrace of capitalist-style economic reforms has paid off, the government and company chiefs agreed last week on a five-year plan under which industry would expand by 15 percent a year.

Although still impoverished, Vietnam seen impressive levels of growth since a so-called "renovation" of the command economy began to bear fruit five years ago. Since 1991, Vietnam's industry has expanded at an average annual rate of 13.6 percent.

But as the Communist Party gears up for a landmark congress in June, the country's leadership is making it clear the economic boom and burgeoning foreign investment will not be allowed to chip away at state control.

"Economics must be allied with politics," Vietnam News quoted the Communist Party general secretary Do Muoi as telling local party committees in working sessions to prepare for the congress. "That is the rule of the Vietnamese Party."

Official rhetoric in recent weeks has been peppered with calls to maintain socialist ideology, which Western economists see as a sign of nervousness that emerging market forces could undermine the party's grip on the economy.

Earlier this month Mr. Muoi called for increased controls over foreign ventures and for efforts to promote the country's state sector.

The official Vietnam News Agency said on Sunday there was no denying that the private sector, which now includes 7,000 companies, had helped generate employment, contributed to stabilizing prices and given a boost to economic development. But the agency added that the controls over the private sector needed to be tightened.

The number of companies owned by ministries, provincial authorities, the army and other official agencies has been halved, to about 6,000, since 1990 thanks to a number of mergers and closures.

But so far only three state companies have been sold, and the government has set itself a modest target of privatizing just 2 percent of state businesses this year.

The World Bank, in a report last November, complained that state enterprises had increased their share of Vietnam's industrial output, and that private business, although growing steadily, was lagging.

Western economists said signs of reluctance to relinquish state control over industry could not only delay plans for the launch of Vietnam's stock exchange but also scare off foreign investors.

Separately, the state bank of Vietnam has cut the monthly interest rate ceiling for short-term loans to 1.75 percent from 2.3 percent, an official at the biggest state-owned commercial bank said Monday.

Nguyen Hoa Binh, deputy executive director at Vietcombank's operations center, said the key aim of the cut was to ease borrowing conditions for business.

However, he said that while rates had been lowered, from a commonly applied rate of about 2.1 percent previously, credit limits still applied.

Mr. Binh said the central bank had also made the move to bring short-term loan rates closer to medium-term rates, now at 1.6 percent a month. The bank's eventual aim is to bring short-term rates below medium- and long-term rates, he added.

Enron Reaches India Accord

By Agreeing to Price Cut, Firm Ends Standoff

By Allen R. Myerson
New York Times Service

DALLAS — Answering the objections of Indian nationalists, Enron Corp. has agreed to sharply cut the cost of the electricity that a huge project in India will provide.

Enron said Sunday that it had formally agreed with the government of Maharashtra state in western India to resume work on the plant. The company said it hoped to begin work within 90 days.

Enron also said it was reducing the cost of its project, to $2.5 billion from $2.8 billion, yet increasing the capacity of the plant, to 2,450 megawatts from 2,000.

Enron said the cost of electric power would be 5.2 cents per kilowatt-hour, down from 6.7 cents in the original plan. The company said that other conditions of the new agreement made the actual discount less than the apparent 22 percent.

Enron accepted the agreement in an exchange of letters between its Indian subsidiary, Dabhol Power Corp. and the Maharashtra State Electricity Board last week. Besides lowering the cost of the electricity and the overall construction cost, Enron is to a sell 30 percent interest in Dabhol to the state electricity board.

The Maharashtra state government, led by the Shiv Sena party and its Hindu nationalist partner, the Bharatiya Janata Pary, scrapped the project in August, accusing Enron of padding costs and corrupting officials.

That decision raised questions among other foreign investors, concerned that a huge project arranged at the invitation of the Indian government in New Delhi seemed to have fallen victim to nationalist politics promoted by a recently elected state government.

Under the revised deal, Enron, which is based in Houston, will be able to proceed with a project in which it and its partners had already invested $300 million. "It still provides a very economic return for our shareholders as well as providing competitively priced power for Maharashtra," said Diane Bazelides, a company spokeswoman.

Ms. Bazelides said the expansion would not necessarily increase Enron's expenses by much because its construction and equipment costs had fallen since the project was first approved about two years ago.

Securities analysts generally agreed, but said they would have to review the details. "I don't think they would have accepted it if it wasn't positive for their stockholders," said Ronald Barone of PaineWebber Inc.

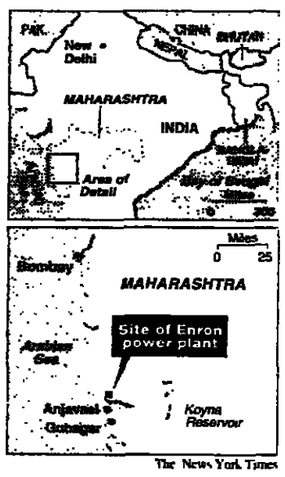
Besides allowing the project's initial phase, powered by diesel fuel, to proceed, Maharashtra approved a second, more expensive phase that will probably use imported, liquefied natural gas.

The revised $2.5 billion cost includes about $500 million for equipment to turn liquefied natural gas back into gas that can be used by the plant.

Enron has had an 80 percent interest in the plant, while Bechtel Enterprises Inc. and GE Capital Corp., General Electric Co.'s finance arm, each have 10 percent stakes. The plant, on the rocky cost of the Arabian sea 160 kilometers (100 miles) south of Bombay, the Maharashtra state capital, is the centerpiece of India's plan to increase its output of power by half by the year 2000.

Enron had planned to complete the first phase next year, but Ms. Bazelides said that the construction shutdown would push that schedule back.

Although Prime Minister P.V. Narasimha Rao of India invited Enron in as part of the nation's opening to foreign investors after years of central planning, his political opponents have raised the fear of foreign domination that lingers from Indian colonial days.



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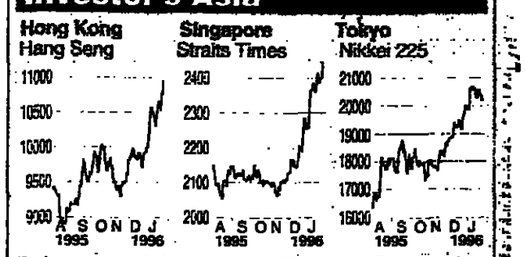

Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,955.30	10,764.10	+1.78
Singapore	Straits Times	2,446.52	2,403.18	+1.80
Sydney	All Ordinaries	2,260.60	2,247.10	+0.60
Tokyo	Nikkei 225	20,196.53	20,365.76	-0.83
Kuala Lumpur	Composite	1,064.53	1,056.69	+0.74
Bangkok	SET	1,389.43	1,375.03	+1.05
Seoul	Composite Index	842.80	842.72	+0.01
Taipei	Stock Market Index	5,039.00	5,037.25	+0.03
Manila	PSE	2,831.15	2,764.52	+2.41
Jakarta	Composite Index	571.32	562.35	+1.60
Wellington	NZSE-40	2,081.59	2,078.74	+0.14
Bombay	Sensitive Index	2,926.38	2,918.21	+0.28

Source: Telekurs International Herald Tribune

Very briefly:

•**Tingyi (Cayman Islands) Holding Corp.**, a Chinese noodle maker, is to sell 122 million shares priced between 1.40 dollars and 1.70 dollars (18-22 cents) to Hong Kong investors. The company is selling an additional 689 million shares to institutional investors. The price range represents between 10.3 and 12.6 times fully diluted 1995 earnings per share.

•**Thai Airways International Ltd.** is to sell six Boeing 747-200 planes to **Langdon Asset Management Inc.** for $123 million in a bid to reduce the number of different types of aircraft in its fleet.

•**Maruti Udyog Ltd.**, the Indian carmaker that is 50 percent owned by **Suzuki Motor Corp.**, plans to raise output in its next financial year to 320,000 units from 270,000.

•**Suzuki Motor Corp.** predicted that domestic sales would rise just 2.4 percent in 1996, down from an increase of 6.5 percent in 1995. The company also said that in 1996, overseas production would top domestic output.

•**Mitsubishi Electric Corp.** plans to double its overseas output of computer displays by the year to March 1998 by building plants in North America and Europe.

•**Australia & New Zealand Banking Group Ltd.** has received approval to open a branch in Ho Chi Minh City; ANZ has had a branch in Hanoi for three years, and already has a representative office in Ho Chi Minh City.

•**Air Macau**, a the Chinese airline that was the first to fly between Taiwan and China, expects to receive approval to set up a branch company in Taiwan.

Bloomberg, Reuters, AFP

PORSCHE: *Japanese Lessons*

Continued from Page 11

efficiency improvements are measured in more than just the company's return to profitability. It has reduced the assembly time for one of its speedsters from 120 hours to 72. The number of errors per car has fallen 50 percent, to an average of three.

The work force has shrunk 19 percent, to about 6,800 employees. The line itself has been shortened and inventories have been cut back so much that factory space has been reduced by 30 percent.

But the remaking of Porsche using Japanese manufacturing style has significance beyond the company.

For years, German automakers have tried to implement elements of just-in-time, lean manufacturing and to get high-paid German workers to be flexible. But changes have been modest at best, leading many auto executives to vow they will never open a car plant in Germany again.

"Germany looked at Japan and said, 'Yes, but we can't do it here, we won't do it here,'" said Daniel Jones, a professor at the Cardiff Business School in Wales.

"Porsche had no choice. And having done it, the argument that other automakers ought to be following their lead becomes irresistible."

Much of the credit for the remaking of Porsche is given to Mr. Wiedeking, a direct, hands-on manager who started as an engineer at Porsche in the 1980s and then left to run an automobile parts maker.

Porsche's family owners spent much of the 1980s warring with their appointed chief executives, dismissing several. Nevertheless, the boom times early in the decade fueled sales, which soared to more than 50,000 a year.

Then recession hit in the early 1990s. Porsche sales plummeted to 14,000 units in 1993, including a paltry 3,000 in the United States, its largest market. The family called in Mr. Wiedeking for help.

At first, the beginning, he says, his idea was to bring in the Japanese. First, he eliminated one-third of his managers and gave those remaining new assignments, so they would be struggling to learn new jobs — "rather than waiting for me to make a mistake," he said.

Next he took his management team on extensive tours of Japanese auto plants. They timed precisely how long it took Porsche to assemble body parts and engines and install carpeting and dashboards, then studied the comparable times in Japan. On most tasks, Porsche was taking almost twice as long.

What was ultimately revolutionary for Porsche's automakers was the redefinition of craftsmanship.

"The traditional craftsmanship for which Germany became famous was filing and fitting parts so that they fit perfectly," Mr. Jones said.

"But that was wasted time. The parts should have been made right the first time. So the new craftsmanship is the craftsmanship of thinking up cleaver ways of making things simpler and easier to assemble. It is the craft of creating an uninterrupted flow of manufacturing."

Economists Praise Japan's Pump-Priming

Reuters

TOKYO — Massive public-works spending should spur Japanese economic growth in the next financial year, but the outlook for the first half is better than that for the second half, according to a poll of economists released Monday.

Twenty-nine economists at research institutes, banks and brokerage houses took part in the poll on long-term prospects for Japan's economy. Twenty-seven provided predictions for the country's gross domestic product, forecasting an average of 2.1 percent growth for the year beginning April 1. They predicted 0.8 percent growth for the year ending March 31.

That compared with government forecasts of 2.5 percent and 1.2 percent, respectively. "Looking at all the key indicators, there don't seem to be any factors to push growth lower than that of the last fiscal year," said Jun Yamamoto, an economist at the Industrial Bank of Japan.

Economists cited the Kobe earthquake, the strong yen, trade friction with the United States, rising imports and excessive inventories as factors that have hampered growth during the current business year.

But they said the government's 14 trillion yen ($132 billion) stimulus package unveiled in September, most of it directed at public works, would perk up the economy.

"The economy will be supported by public works spending and capital spending from the private sector in the first half of next fiscal year," said Soichi Okuda, an economist at Nippon Credit Bank.

Low interest rates, restructuring by Japanese companies and relatively stable exchange rates were also cited as possible factors that could contribute to growth.

Labor Loss Would Be Australian Banks' Gain

Bloomberg Business News

CANBERRA — Australia's conservative coalition government may be ready to take the shackles off the nation's banks if it wins power at the next national election, which must be held by early May, banking analysts say.

A coalition of the Liberal and National parties would be expected to blur the divisions between banks and the insurance and pension-fund industries by letting banks introduce retirement savings accounts and by allowing takeovers currently opposed by the Labor government, some add.

"The primary positive that would come from a change of government would be the ability of the major banks in Australia to undertake rationalization," said Alastair Hunter, a banking analyst at the securities house J.B. Were & Son.

He said the Liberal Party, led by John Howard, has signaled that it would not object to the merger of one of Australia's four largest banks with a leading life insurance company. Officially, however, the party has not yet spelled out its precise policy on such issues.

"Under the current Labor government, major bank rationalization, including the possibilities of bank mergers with major life insurance companies, is not allowable," said Mr. Hunter. The Liberal Party has told J.B. Were it has "no such objections," he said. But that does not mean radical changes would occur within months of a coalition victory.

A coalition government would give the banks "the possibility of being better able to manage our business as we choose," said Don Mercer, chief executive of Australia & New Zealand Banking Group Ltd., recently.

"But my sense of it is that the priorities of an incoming government might not be that they were first off going to change the trade-practices act or other things as they relate to banking."

Foreign Banks to Keep China Tax Exemption

Bloomberg Business News

BEIJING — China will not remove a five-year business tax exemption now enjoyed by foreign banks operating inside the country's six special economic zones, a tax official said Monday.

"Foreign bank branches in special economic zones and Pudong will continue to enjoy the five-year business-tax exemption, as this is stipulated in the law," said Zhang Zhiyong, a director at the Foreign Taxation Administration.

He added that China was considering whether to extend the business-tax exemptions to include banks outside the special economic zones.

"Branches in other regions, including those in open cities like Beijing, are not covered by the policy, and a decision on the tax issue will soon be announced," Mr. Zhang said.

At present, foreign bank branches in the special zones of Shenzhen, Zhuhai, Xiamen, Shantou, Hainan and the Pudong district of Shanghai do not have to pay a 5 percent business tax levied on revenue gained from commissions and other income.

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EBC TRADED CURRENCY FUND LTD

INTERNATIONAL INCOME FUND

ED & F MAN INVESTMENT PRODUCTS

EMPIRE (various)

EVEREST CAPITAL (809) 292 2200
- m Everest Capital Intl Ltd $ 146.55

FAIRFIELD GREENWICH GROUP
- m Advanced Strategies Ltd $ 175.4781
- w Fairfield Intl Ltd $ 239.55
- w Fairfield Sentry Ltd $ 593.75
- m Sentry Select Ltd $ 546.5179

FIDELITY INVESTMENT

FINMANAGEMENT SA-Lugano (41.91)23.3.23
- w Delta Premium Corp. $ 1302.80

FLEMING FUND MANAGEMENT LUXEMBOURG
THE OASIS FUND SICAV
- w International Equity Fund $ 9.50

FOKUS BANK A.S.
- w Fokus Intl Growth Fd $ 0.93

FOREIGN & COLONIAL EMERG MKTS LTD

FUND MARKETING GROUP (BID)

FURMAN SELZ FINANCIAL SERVICES LTD
- f Acacia USA Fund $ 100.00
- f Crestwood Cap Intl Ltd $ 11587.86

FX CONCEPTS (BERMUDA) LTD
- m Concepts Currency Fd $ 107.98
- m Concepts Strat Curr Fd $ 107.08

GAIA CURRENCY FUNDS
- w Gaia Hedge II $ 182.40
- w Gaia Hedge III $ 17.77
- c GAIA Fx $ 125.09
- m Gaia Guaranteed Cl. I $ 91.14
- m Gaia Guaranteed Cl. II $ 90.29

GEFINOR FUNDS
- w Scottish World Fund $ 515.9305

GENESEE FUND Ltd
- w (A) Genesee Eagle $ 174.15

GLOBAL ASSET MANAGEMENT

GAM (OFFSHORE FUNDS, SWISS REGISTERED FUNDS, SEC REGISTERED FUNDS, IRISH REGISTERED UCITS)

IDF INVT AND DEVT FINANCING LTD
- d IDF Global $ 99.36

GLOBAL CAPITAL MANAGEMENT LTD
JWH GLOBAL STRATEGIES LTD

GLOBAL FUTURES & OPTIONS SICAV
- m FFM Intl Bd Progr-CHF Cl SF 91.09
- m FFM Intl Bd Progr-DM Cl DM 63.79

GOLDMAN SACHS

GORDON HOUSE ASSET MGT LTD
- m Optimal Fund $ 5.62

GOTTEX FUND MANAGEMENT
- w G. Swap Fund Ecu 1420.28

GRANITE CAPITAL INTL GROUP
- w Granite Capital Equity Fd $ 1.0848

GROUPE INDOSUEZ FUNDS 19/01/96

GUERNSEY CAPITAL MANAGEMENT LTD

GUINNESS FLIGHT

HASENBICHLER ASSET MANGT

HDF FINANCE

HEPTAGON FUND NV
- f Heptagon CMO Fund $ 93.57

HERMES ASSET MANAGEMENT LTD

HUTZLER BROKERAGE
- m Pegasus P.P. Portfolio $ 18.25

IFDC S.A. GROUP
- w China Europe Fund $ 1903.94
- w IFDC Japan Fund Y 21400.00

INCOME PARTNERS ASSET MGT (HK) LTD
- w Asian Convert Bond Fd $ 12.179
- w Asian Fixed Income Fd $ 19.492
- w Asian Money Mkt Fd $ 10.993

INTERINVEST (BERMUDA) LTD
- m Hedge Hog & Conserve Fd $ 10.59

INVESCO INTL LTD, POB 271, Jersey

IRISH LIFE INTL Ltd.
- d International Cautious $ 1.135
- d International Balanced $ 1.193
- d International Growth $ 1.200

ITALFORTUNE INTL FUNDS
- w Class A (Aggr. Growth Ital.) $ 76751.00
- w Class B (Global Equity) $ 13.51
- w Class C (Global Bond) $ 12.37
- w Class D (Ecu Bond) Ecu 11.53

JAMES RIVER CAPITAL CORP.
- w Chesapeake Lion 12Est $ 3831.00
- w III Fund Ltd. Lion 12 $ 1392.00
- w III Global Ltd Lion 12 $ 1316.00
- w Skelland Fd Ltd Lion 12 $ 1076.00
- w Stonehenge Lion 12Est $ 1789.00

JARDINE FLEMING, GPO Box 11448 Hg Kg

JULIUS BAER GROUP

JYSK INVEST Co JYSKE BANK DENMARK

KEY ASSET MANAGEMENT INC
- m Key Asia Holdings $ 102.34
- m Key Global Hedge $ 232.14
- m Key Hedge Fund Inc. $ 177.30
- m Key Emerging Value $ 94.75
- m Key Longwood Inc $ 106.94

KI PACIFIC ASSET MANAGEMENT INC
- m KI Asia Pacific Fd Ltd $ 10.55

LEHMAN BROTHERS 19/01/96

LGT ASSET MANAGEMENT (IRELAND) LTD

LGT ASSET MGMT PLC

LIBERAL B.A.S. FUNDS

LIPPO INVESTMENTS

LLOYD GEORGE MNGMT

LLOYDS BANK INTL (BAHAMAS) Ltd
- w Lloyds Americas Portfolio $ 10.96

LOMBARD, ODIER & CIE - GROUP
OBLIFLEX LTD (CI)

MAGNUM FUNDS Cayman Islands
- w Magnum Fund $ 114.95E
- w Magnum Multi-Fund $ 116.02E
- w Magnum Russia Fd $ 94.07E
- w Magnum Aggres. Grwth Fd $ 123.07E

MAGNUS BROS Tel (45) 33 15 62 36
- w Baltic Growth Fd DM 8.37

MALABAR CAP MGMT (Bermuda) LTD
- m Malabar Intl Fund $ 23.19

MARITIME MANAGEMENT LTD
- w Maritime Gbl Beta Series $ 802.66
- w Maritime Gbl Delta Series $ 802.17

MATTHEWS INTERNATIONAL MGT
EMERGING ASIAN STRATEGIES FUND
- d Class A $ 106.15

PACIFIC CONV STRATEGIES FD LTD
- m Class A $ 104.27

MAVERICK (Cayman)
- m Maverick Fund $ 182.7802

MCKINLEY CAPITAL PARTNERS, LTD
- m The Corsair Fund Ltd $ 286.64
- m The Dauntless Fd Ltd $ 84.68

MEESPIERSON

MERRILL LYNCH
- d Dollar Assets Portfolio $ 1.00
- d Prime Rate Portfolio $ 10.01

MERRILL LYNCH SHORT-TERM WORLD INCOME PORTFOLIO
- d Class A $ 7.99
- d Class B $ 7.99

MERRILL LYNCH GLOBAL CURRENCY BOND SERIES
AUSTRALIAN DOLLAR PORTFOLIO
- d Category A AS 20.98
- d Category B AS 20.25

CANADIAN DOLLAR PORTFOLIO
- d Category A C$ 16.84
- d Category B C$ 16.29

CORPORATE HIGH INCOME PTFL
- d Class A-1 $ 9.37
- d Class A-2 $ 11.53
- d Class B-1 $ 9.37
- d Class B-2 $ 11.45

DEUTSCHE MARK PORTFOLIO
- d Category A DM 15.20
- d Category B DM 14.61

EUROPEAN BOND PORTFOLIO (DM)
- d Class A-1 DM 14.72
- d Class A-2 DM 17.36
- d Class B-1 DM 14.72
- d Class B-2 DM 17.45

EUROPEAN BOND PORTFOLIO (US$)
- d Class A-1 $ 8.94
- d Class A-2 $ 10.77
- d Class B-1 $ 8.94
- d Class B-2 $ 10.60

POUND STERLING PORTFOLIO
- d Category A £ 18.19
- d Category B £ 17.60

US DOLLAR PORTFOLIO
- d Category A $ 15.86
- d Category B $ 15.11

YEN PORTFOLIO
- d Category A Y 1620
- d Category B Y 1574

MULTI CURRENCY BOND PTFL
- d Class A $ 24.98
- d Class B $ 24.08

US FEDERAL SECURITIES PTFL
- d Class A $ 9.79
- d Class B $ 10.31

MERRILL LYNCH EQUITY / CONVERTIBLE SERIES
BASIC VALUE PORTFOLIO
- d Class A $ 19.25
- d Class B $ 18.13

CONVERTIBLE SECURITIES PTFL
- d Class A $ 15.84
- d Class B $ 15.14

GLOBAL ALLOCATION PTFL (US$)
- d Class A $ 12.47
- d Class B $ 12.18

GLOBAL EQUITY PORTFOLIO
- d Class A $ 10.98
- d Class B $ 10.71

GLOBAL SMALL CAP PORTFOLIO
- d Class A $ 9.80
- d Class B $ 9.83

EURO EQUITY PORTFOLIO
- d Class A $ 16.00
- d Class B $ 15.21

LATIN AMERICA PORTFOLIO
- d Class A $ 11.87
- d Class B $ 11.48

PACIFIC EQUITY PORTFOLIO
- d Class A $ 9.83
- d Class B $ 9.76

TECHNOLOGY PORTFOLIO
- d Class A $ 11.70
- d Class B $ 11.45

WORLD NATURAL RESOURCES PTFL
- d Class A $ 12.02
- d Class B $ 11.73

DRAGON PORTFOLIO
- d Class A $ 17.44
- d Class B $ 16.98

MERRILL LYNCH BANK (SUISSE) S.A.
SWISS FUNDS
- d MLBS Balanced A USD $ 1936.71
- d MLBS Balanced B CHF $ 2431.45
- d MLBS Fixed Inc A USD $ 1728.61
- d MLBS Fixed Inc B ECU $ 1787.55

LUXEMBOURG PORTFOLIO
- d US Dollar Fixed Inc $ 11.75
- d DM Fixed Inc DM 17.45
- d ECU Fixed Inc Ecu 11.56
- d US Dollar Balanced $ 11.19
- d ECU Balanced Ecu 10.86
- d Worldwide Equity $ 11.35

MERRILL LYNCH EMERGING MARKETS
- d Class A $ 10.52
- d Class B $ 10.48

MERRILL LYNCH INC $ PORTFOLIO
- d Class A $ 9.56
- d Class B $ 9.56
- d Class C $ 9.55

MERRILL LYNCH MEXICAN INC PORT
- d Mexican Inc $ Ptfl Cl A $ 9.75
- d Mexican Inc $ Ptfl Cl B $ 9.75
- d Mexican Inc Peso Ptfl Cl A $ 7.32
- d Mexican Inc Peso Ptfl Cl B $ 7.32

MILLENNIUM ASSET MANAGEMENT
- m Swiss Franc Currency Fd SF 1024.97
- m US$ Global Currency Fd $ 1034.26

MOMENTUM ASSET MANAGEMENT
- m Momen US Master $ 117.31z
- m Momentum Assetmaster $ 189.89z
- m Momentum Gbl Futures $ 103.34z
- m Momentum Novellier Perf $ 92.75z
- m Momentum Rainbow Fd $ 132.53z
- m Momentum RxR R.U. $ 89.56
- m Momentum Sandalwood $ 108.02z
- m Momentum Stockmaster $ 174.31z
- m Momentum Univers Hedge $ 119.05z
- m Momentum Valuemaster $ 140.94z

MORVAL VONWILLER ASSET MGT Co
- w Willer Japan Y 220.00
- w Willer Latinamerica $ 15.54
- w Willer South East Asia $ 15.54
- w Willer Telecom $ 11.32
- w Willerfunds-Willerbond Cap. $ 17.23
- w Willerfunds-Willerbond Eur Ecu 14.40
- w Willerfunds-Willereq Eur Ecu 15.32
- w Willerfunds-Willereq Italy Lit 11395.00
- w Willerfunds-Willereq NA $ 16.34

MULTIMANAGER N.V.
- m World Bond Fund Ecu 12.42
- m European Equities Ecu 14.53
- m Japanese Equities Y 788
- m Emerging Markets $ 18.09
- m Arbitrage $ 9.48
- m Hedge $ 14.07

NEW ASIA SECURITIES LTD
- w Spritzer Japan Small Co I $ 7.04
- m Thelo Co Fund Ltd $ 9.85

NICHOLAS-APPLEGATE CAPITAL MGT
- d NA Strategic Opportunities $ 123.67
- d NA Flexible Growth Fd $ 161.58
- w NA Hedge Fund $ 174.80

NOMURA INTL (HONG KONG) LTD
- d Nomura Jakarta Fund $ 10.05

ODEY ASSET MANAGEMENT LTD
- w Odey European DM Inc DM 114.97
- w Odey European US$ Inc $ 126.48

OLD MUTUAL INTL (GUERNSEY) LTD
- w Sterling Managed £ 4.698
- w Sterling Special Market £ 5.348
- w European Stockmarket £ 4.171
- w Dollar Special Market $ 1.131
- w Dollar Managed $ 2.367
- w Emerg Asian Stockmarket $ 2.529
- w Pacific Stockmarket $ 5.818

OLD MUTUAL INTL FD MANAGERS
- d European Stockmarket $ 0.977
- d Emerging Market Bond $ 1.145
- d Emerging Market Equity $ 1.056
- d Global Special Market $ 1.333
- d Global Managed $ 1.310

OLYMPIA CAPITAL INTL INC

OLYMPIA CAPITAL MANAGEMENT
LUXEMBOURG REGISTERED FUNDS
- w Olympia Amerique Sicav $ 1102.75

OPPENHEIMER & CO. INC Fds
- f Arbitrage International $ 121.90
- f Emerg Mkts Intl II $ 109.69
- f Intl Horizon Fund II $ 110.71
- f Oppen Catalyst Intl Ltd $ 113.71
- f Oppen Intl Equity Ltd $ 111.20
- f Oppen Paragon Intl Ltd $ 126.10
- f Oppen Value Intl Ltd $ 98.34

OPTIGEST LUXEMBOURG
- b Optigest Gbl Fd-Fixed Inc DM 199.591
- b Optigest Gbl Fd-Gen Sub F. DM 190.787

OPTIMA FUND MANAGEMENT
- w Optima Emerald Fd Ltd $ 11.98
- w Optima Fund $ 20.70
- w Optima Futures Fund $ 19.36
- w Optima Global Fund $ 13.79
- w Optima Opportunity Fd Ltd $ 8.41
- w Optima Pericule Fd Ltd $ 10.31
- w Optima Short Fund $ 5.61
- w The Mariner Fd Ltd $ 6.22
- w The Platinum Fd Ltd $ 12.44

ORBIS INVESTMENT Bermuda (809) 292 66 66
- w Orbis Global (18 Jan) $ 22.40
- w Orbis Optimal (18 Jan) $ 24.89
- w Orbis Leveraged (18 Jan) $ 31.77

ORBITEX GROUP OF FUNDS
- d Orbitex Asia Pac Fd $ 3.8410
- d Orbitex Com & Info Tech Fd $ 5.5896
- d Orbitex Dynamic Fd $ 4.9004
- d Orbitex Gbl Discovery Fd $ 5.1995
- d Orbitex Growth Fd $ 7.2130
- d Orbitex Health & Envir Fd $ 5.9506
- d Orbitex Japan Fd $ 5.2274
- d Orbitex Long-Short Fd $ 8.0033
- d Orbitex Natural Res Fd C$ 12.5998

PACTUAL
- d Eternity Fund Ltd $ 293.9370
- d Infinity Fund Ltd $ 430.7022
- d Novastar Fund $ 143.6309
- d Star High Yield Fd Ltd $ 197.3860

PARIBAS-GROUP

PARK PLACE CAPITAL LTD
- w Park Place Intl Ltd 3/95 Jan17 $ 11.42E
- w Giano Capital Ltd Jan17 DM 1452.19E

PERMAL GROUP
- f Asian Holdings N.V. $ 1028.78
- f Emerging Mkts Hldgs $ 1016.93
- f Europe Ltd DM 2887.95
- f FX, Financials & Futures $ 1143.76
- f Growth N.V. $ 3411.80
- f Investment Hldgs N.V. $ 1613.51
- f Media & Communications $ 1272.51
- f Nascal Ltd $ 2195.06

PERPETUAL UT MNGRS (JERSEY) LTD

PICTET & CIE - GROUP

PREMIER INVESTMENT FUNDS LTD

PROTON GROUP OF FUNDS

PUTNAM
- d Emerging Hlth Sc. Trust $ 48.17
- d Putnam Em. Info Sc. Trust $ 73.61
- d Putnam Glob. High Growth $ 18.43
- d Putnam High Inc GNMA Fd $ 8.40
- d Putnam Intl Fund $ 17.38

QUANTUM GROUP OF FUNDS
- w Asian Development $ 115.08
- w Emerging Growth Fd N.V. $ 234.00
- w Quantum Fund N.V. $ 24940.00
- w Quantum Industrial $ 163.00
- w Quantum Realty Trust $ 149.00
- w Quota Intl Fund N.V. $ 238.00
- w Quota Fund N.V. $ 227.00

REGENT FUND MANAGEMENT LTD

REIG GLOBAL FUND
- w Reig Global Fund Ptas Ptas 103.111
- w Reig Global Fund Ecus Ecu 102.510

REPUBLIC FUNDS

ROBECO GROUP
- d RG America Fund Fl 140.70
- d RG Europe Fund Fl 133.90
- d RG Pacific Fund Fl 142.10
- d RG Divirente Fund Fl 58.10
- d RG Bond Fl 105.73
- d RG Emerging Markets Fd Fl 82.70
- d RG Money Plus F Fl Fl 123.23

More Robeco see Amsterdam Stocks

ROTHSCHILD (GROUP EDMOND DE) IN-HOUSE FUNDS

ROTHSCHILD (GROUP EDMOND DE) OTHER FUNDS

ROTHSCHILD ASSET MGMT (C.I) LTD
- m Nemrod Leveraged Hld $ 828.73

SAFDIE GROUP/KEY ADVISORS LTD
- m Key Diversified Inc Fd Ltd $ 12.86760
- p Tower Fund Global Bond $ 10668.02
- p Tower Fund Global Equity $ 10171.72

SANTANDER NEW WORLD INV.
- m Commander Fund $ 115620.50
- m Explorer Fund $ 111094.93

SBC CAPM STRAT PLC
- d Class A $ 10000.00
- b Class B $ 10564.73

SECURITY CAPITAL U.S. REALTY
- w Nav $ 10.03

SKANDINAVISKA ENSKILDA BANKEN

SOCIETE GENERALE GROUP

SODITIC ASSET MANAGEMENT INC.

SOFA FUND LIMITED

SR GLOBAL FUND LTD
- m SR European $ 101.83
- m SR Asian $ 122.88
- m SR International $ 117.53

STAINES FD MANAGERS (GUERNSEY) LTD
- w Corr Concept Two Thousand $ 1258.38

SWISS BANK CORP.

TEMPLETON GLOBAL STRATEGY SICAV

THE FOCUS GROUP
- m Ocean Strategies Limited $ 137.32
- w World Invest Mixed $ 118.24

THORNTON INVESTMENT MGMT LTD

NEW TIGER SEL. FUND

THORNTON TAIWAN FUND
- w Equity Income $ 10.71
- w Equity Growth $ 12.76

TITAN CAPITAL MANAGEMENT
- w Tai Chi Equity $ 88.92
- w Titan Metals $ 174.49
- w Titan Fx Delta $ 121.36
- w Titan Forex $ 120.52
- w Titan Currency Portf $ 128.57
- w Titan Global Hedge $ 113.79

TRANS GLOBAL FUNDS GROUP
- w Trans Global Intl Plc $ 267.41
- w Trans Global Fixed Inc Plc $ 110.32
- w Trans Global Equities Plc $ 103.98

UEBERSEEBANK Zurich

UNION BANCAIRE ASSET MGT (UBAM) INTERNATIONAL, NASSAU

CAPITAL GUARANTEED IC

UNION BANCAIRE ASSET MGT (UBAM) INTERNATIONAL, LUXEMBOURG

UNION BANK OF SWITZERLAND/INTRAG

WORLDFOLIO CAP PRESERVATION PLUS
- b USD 98% Cap Preservation $ 10.45

Other Funds
- w Acticonsence Sicav FF 399.45
- w Actifinance Sicav $ 684.45
- w Actifutures Ltd $ 312.69
- m Actigestion Sicav FF 332.56
- m Actum Leveraged Fd SF 113.08
- w Adelaide FF 1177.39
- d Advanced Pacific Strat $ 234.60
- m AIG Taiwan Fund $ 102.806
- m Alexandra Gbl Invest Fd I $ 12.48
- m Anna Investment SF 10042.91
- w Arbifin Investment $ 991.70
- w Argus Fund Bond SF 1088.47
- w Argus Fund Equity SF 1116.89
- m Ariana Fd Ltd $ 6.78
- d Asia Oceania Fund $ 14.35
- d Asia Vision $ 10.00
- m Associated Investors Inc. $ 970.71
- m Athena Fund Ltd $ 1161509
- w BEM International Ltd $ 13.35
- m Bauben-Morval EEF Ecu 118.05
- m Blecmor Global Fd A Sh $ 42.87
- m Blecmor Global Fd B Sh $ 945.77
- w Brooknoscastle Invt Ltd (BVI) $ 11.275
- m C.C.I.L. $ 60.39
- m Cal Euro Leverage Fd Ltd $ 22216.29
- m Capra Global Mgd Assets $ 1067.11
- d Car Uma Stc-Ntp Grth Wt SF 1137.46
- w Cat Umbrella Stc Asia HY $ 1046.87
- w Cat Umbrella Stc Tbui HY $ 998.29
- d CB German Index Fund DM 161.98
- w Central & Eastern Euro SF 28.21
- m Century Futures $ 951.44
- m Cerveri Growth Fund $ 93.56
- m Chilton Intl (BVI) Ltd $ 13698.62
- w China Vision $ 18.18
- w Cindam Select $ 139.43
- w Cindam Strategic Fund $ 146.71
- w Citicorp Limited SF 150.78
- w CM USA $ 227.54
- w CML Strategic Bd Fd Ltd $ 188.27E
- w CML Strategic Inv Fd Ltd $ 111.16E
- w Columbus Holdings $ 259.96
- w Concord Cap Growth Corp $ 9.10
- w Concorde Ate Fund $ 121.934
- w Cortvest Actions Intl BF 8959.00
- w Cortvest Obli Belux CT BF 11330.00
- w Cortvest Obli Belux LT BF 11370.00
- w Cortvest Obli World DM 518.26
- w Cortex Multi-Adv Perf Fd $ 1.0162
- m Crazy Orth Corp $ 207.89
- m Crosby Asset Mgmt Ltd $ 598.83
- w Cumber Intl S.A. $ 28.47
- w D. Victor Wld Wide Int Tst $ 5613
- w Dainan Japan Fund Y 10118.82
- w DB Argentina Bd Fd $ 26064.34
- w DB Brazil Equity Fd Sh $ 1080.59
- w Dimitris Asset Alloc. $ 71042.57
- w DMG / Naibn Bond Fund $ 26.65
- w Dreyfus America Fund $ 113.32
- w DVT Performance Fd $ 1748.80
- w Eqs Overseas Fund Ltd $ 1054.80
- w Europe Capital $ 12448.00
- w Enl Belg. Ind. Plus A BF 13612.00
- w Enl Belg. Ind. Plus B BF 844.94
- w Enl France Ind. Plus A FF 979.60
- w Enl France Ind. Plus B FF 110.16
- w Enl Germ. Ind. Plus A DM 114.95
- w Enl Germ. Ind. Plus B DM 93695.00
- w Enl Italy Index Plus A Lit 95214.00
- w Enl Italy Index Plus B Lit 832.63
- w Enl Neth. Index Plus A Fl 843.44
- w Enl Neth. Index Plus B Fl 13410.00
- w Enl Spain Ind. Plus A Pta 14022.00
- w Enl Spain Ind. Plus B Pta 94.19
- w Enl Swiss Index Plus A SF 94.86
- w Enl Swiss Index Plus B SF 151.61
- w Enl UK Index Plus A £ 149.81
- w Enl UK Index Plus B £ 12.58
- w Europe 1992 $ 0.6924
- w F.M.P. Portfolio $ 882.58
- w Fatum Fund $ 179.53
- m Firebird Overseas Ltd $ 29.47
- m First Ecu Ltd Ecu 66.18
- w First Frontier Fund $ 4.78
- m First Trident Cap Corp $ 175.03
- w FL Trust Asia $ 152.25
- w FL Trust Switzerland SF 986.69
- w Fondis 1 Money SF 907.95
- w Fondis 3 - Intl Bond SF 843.26
- w Forecomm 10 Intl DM 12.45
- d Formosa Growth Fd $ 108.20E
- d Fortitude Group Inc $ 1741.00E
- d Fortitude High Risk Inc $ 9537.75
- m FS Gbl Opp Intl Fd Ltd $ 846.12
- m Future Generation Ltd $ 1818.42
- m FXC Investments Ltd $ 897.25
- m GEM Generation Ecu Cl Ecu 808.13
- m GEM Generation Ltd $ 1723.11E
- m Gems Progressive Fd Ltd $ 12.18
- w Global 93 Fund Ltd $ $ 28.50
- w Global 94 Fund Ltd SF SF 1434.91
- m Global Arbitrage Ltd SF 979.69
- w Global Futures Mgt Ltd $ 28.39
- m Goanord SF 134.48
- m Graham Global Invt Fd $ 837.44
- m GreenLine France FF 97.49
- m Gryphon Bond Fund Ltd $ 103.39
- w Gyrauban Rel Val F US-S $ 3.4071
- r Harbour Hldgs Ltd (30 Nov) $ 759.82
- w Hausmann Hldgs N.V. $ 284.45
- w HIF-US Growth Fund SF 237.18
- m Ibex Holdings Ltd $ 12.54
- b ILA-IGB $ 11.99
- b ILA-IGF $ 10.30
- b ILA-INL $ 7072.00
- r Infinity Investors Ltd Ecu 35.11
- r Intl Securities Fund $ 7.88
- m Integra Capital Corp C DM 1026.70
- w Inter Mgt Intl Fd-Multe $ 47.21
- d Interfund SA $ 9.80
- d Intl Network Invt Fund DM 88.37
- w Investa DWS $ 180.46
- w Jap & Great Asian Prosp Y 29496.00
- w Japan Pacific Fund $ 1375.00
- w Kenmar Gtd. Series 2 $ 10.65
- w Kenmar Guaranteed $ 97.96E
- m Kingate Global Fd Ltd Cl A $ 112.23
- m Kingate Global Fd Ltd Cl B $ 10577.00
- w KM Global $ 658.70
- w KML - II High Yield $ 33.28
- w Korea Growth Trust $ 95.82
- f La Fayette 21st Century $ 167.43
- f La Fayette Holdings Ltd $ 119.16
- f La Fayette Regular Growth $ 224.57
- m La Jolla Intl Gdh Fd Ltd $ 1589.06
- w Leaf Sicav $ 95.92
- m Lou Performance Fund Ltd $ 12.53
- m London Portfolio Services $ 10.781
- m LPS Intl H.P.B. $ 513.31
- m Lux Intl Mgt Fd Ltd $ 155.03
- w Luxfund SF 146.55
- m Lynx Sel. Holdings $ 33.07E
- m M.Kingdom Offshore N.V. $ 99.96
- w Master Cap & Hedge Fd $ 18474.94
- m Matterhorn Offshore Fd $ 1599.94
- m McGinnis Global (Dec31) $ 368.58E
- m MCM Int. Limited $ 14.97
- w Millennium International $ 172.41
- d ML Princip Protec Plus $ 108.02204
- m Mont Blanc Funds Port $ 100.04
- w Multifutures FF 44.09
- w New Millennium Fut. Ltd $ 900.51
- d Newbank Debentures $ 1285.08
- m Ninetythree Mutual Fd NV Ecu 1124.03
- m NMT Asian Sel. Portfolio $ 204.46
- m Noble Partners Intl Ltd $ 179.49
- m North American Cap Corp NV $ 575.37
- m NSP F.I.T. Ltd $ 12.73
- b Offshore Strategies Ltd $ 1124.17
- m Omega Overseas Partners $ 185.8400
- m Oppenheimer U.S. Arb. $ 174.94
- w Optimum Fund $ 2838.89
- m Pan Fixed Inc Fd $ 99.31
- w PAN International Ltd $ 144.40
- m Pancurri Inc. $ 205.14
- m Panda Fund Plc $ 110.998
- m Panopee Offshore (Nov30) $ 115.64
- m Papa Intl Fund $ 114.672
- m Pequot Intl Fund $ 281.77
- m Permal Usdyle Ltd $ 160.65
- w PharmaMedtech $ 1437.71
- m Phoenix Fear Inc $ 613.41
- w Plurigestion Plurifonds FF 825.89
- w Plurigestion Plurivaleur FF 30.83
- w Plurivest Sicav FF 39.56
- m Pombay Overseas Ltd $ 998.20
- m Portuguese Smaller Co $ 12.46
- w Prima Capital Fund Ltd $ 133.56
- m Prima Leveraged Bd Fd $ 98.01
- m Primeo Fund $ 7.38
- d Profitest S.A. DM 1294.97
- w Purchase Offsh Ltd Cl A $ 114.06
- a RAM Offshore I. Class A $ 97.3572
- m Regal Intl Fund Ltd $ 142123.71
- w Resources Intl $ 2.00
- f Ric Global Fd Ltd Cl A $ 93.64
- w Richcourt $ Strat Inc $ 1279.38
- w Richcourt America Inc $ 162.42
- w Richcourt Futures Inc $ 1390.94
- w RM Futures Fund Sicav $ 24382.09
- m Rockford Investment Corp $ 1318.11
- w Sailors Intl Equity Ecu 1403.22
- w Sailors Intl Fixed Ecu 9.56
- d Sanyo Kle. Spain Fd $ 1268.68
- d Sarakreek Holding N.V. $ 1404.63
- m Saturn Fund $ 21.87
- b SC Fundam Val BVI Ltd $ 106.64
- m SCI / Tech. SA Luxembourg $ 1142.96
- m Selected Strategies Dec29 $ 874.77
- d Selective Fut. Pfll Ltd $ 19.00
- w Sinclair Multifond Ltd $ 1792.90
- m Skarv Fund Ltd $ 64.53
- d SJO Global (609)921-6595 $ 38.24
- m Smith Barney Wrldwd Sec $ 15942.43
- m Smith Barney Wrldwd Spec $ 170.38
- m SP Intl SA Reg Cl A Sh $ 103.50
- m Spirit Hedge Hld $ 419.36
- m Spirit Strategies Hld $ 1184.80
- w State St. American $ 705.00
- w Steinhardt Oseas Reg ClA $ 139.6642E
- w Strat A.M. Fund $ 107.44
- d Strat Healthcare Inv Fd $ 121.79
- w Strategic-Balanced $ 209.12
- w Strider Fund $ 781.32
- w Stronoe Offshore Ltd $ 465.15
- m Sunrise Global Ilt Ltd $ 565.00
- w Sunset Global One $ 12143.75
- w Sussex McGarr FF 1245.62
- w System global Fund Ltd SF 33.48
- w Toll Wind Fund $ 7.93
- m Techno Growth Fund $ 14.59
- m Templeton Global Inc $ 1264.39
- m The Bridge Fund N.V. $ 923.29
- m The Fortune Fd Ltd $ 1897.98
- m The Instit Multi Advisors $ 714.68
- m The J Fund B.V.I. Ltd $ 130.91
- m The Jaguar Fund N.V. $ 2806.76
- m The Legend Fd Ltd/Dec31 DM 3191.34
- m The M*A*R*S Fd Sicav A Ecu 14.270
- m The M*A*R*S Fd Sicav L $ 11.495
- m The Magus Ecu Fd Ltd $ 9.80
- m The Magus US $ Fd Ltd SF 863.17
- m The Myanmar Fd Ltd $ 88.38
- m The Smart Bond Ltd $ 7.93
- w Tiger Selec Hold NV Bid $ 8.63
- w TNC (OTC) Jap. Fd Sicav Y 19666.00
- w Tokyo (OTC) Fund Sicav $ 1052.842
- w Transpacific Fund $ 1367.66
- m Trinity Futures Fd Ltd $ 9.45
- m Triumph I SF 19.00
- w Tweedy Brown Intl SFR $ 64.15
- w Tweedy Browne Intl n.v. $ 1039.83
- w Tweedy Browne n.v. Cl A $ 196.16
- d Twenty-First Arbitrage Fd $ 146.50
- d Umbrella Debt Fund Ltd SF 1134.02
- d Umbrella Fund Ltd SF 1083.92
- w Uni-Gbl FS Systematique $ 1887.35
- w Uni-Gbl Stc FS Mox 3 ans DM 1436.45
- w Uni-Gbl Stc US$ Max 3 ans Ecu 1469.53
- w Uni-Global Sicav DEM FF 7550.09
- w Uni-Global Sicav Ecu SF 1317.50
- w Uni-Global Sicav FRF $ 1277.87
- w Uni-Global Sicav FS DM 62.49
- w Uni-Global Sicav USD DM 56.25
- d Unico Equity Fund $ 2772.08
- d Unico Inc. Fund $ 7.81
- m Ursus Intl Ltd Ecu 141.47
- m US Advantage dlr N.V. $ 188.98
- m Valborne $ 12.4541
- m Victor Futures Fund $ 3844.77
- b Voyager Investments Plc $ 674.30E
- f Vulture Ltd Ecu 144.72
- m Wellen Wilder Intl Fd Ecu 140.54
- d Win Global Fd Bd. Ptfl Ecu 120.21
- d Win Global Fd Div Ptfl $ 13.44
- d Win Global Fd Eq. Ptfl $ 79.10
- a World Balanced Fund S.A. $ 198.7137
- w Worldwide Limited SF 184.77
- w WPG Farber O'seas Part $ 124.73
- m Young $ 272.78
- m Zanett Lombardier Ltd $ 72862.00
- m Zephyr Hedge Fund
- m Zweig DiMenna Intl Ltd

AS - Australian Dollars; AS - Austrian Schillings; BF - Belgian Francs; C$ - Canadian Dollars; DM - Deutsche Marks; Dkk - Danish Kroner; Do - US Dollars; ECU - European Currency Unit; FF - French Francs; FM - Finnish Mark; FL - Dutch Florin; Lit - Italian lira; LF - Luxembourg Francs; p-pence; Ptas - Pesetas; SG$ - Singapore Dollars; SF - Swiss Francs; Sek - Swedish Kronor; Y - Yen.

a - asked + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o - New; S - suspended; S/S - stock Split; * - Ex-Dividend; ** - Ex-Rts; - @ Offer Price incl. 3% prelim. charge; ° - Paris exchange; ++ - Amsterdam exchange; a - misquoted earlier; x - not registered with regulatory authority. P: Middle of bid and offered price. E: estimated price; y: price calculated 2 days prior to publication; z: bid price.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) - fortnightly; (r) - regularly; (t) - twice weekly; (m) - monthly.

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WORLD ROUNDUP

Bucs Hire Dungy

FOOTBALL Tony Dungy finally became a head coach, when he was hired Monday by the Tampa Bay Buccaneers. Dungy, 40, was the youngest defensive coordinator in the NFL when Pittsburgh hired him at 28. He had been interviewed but passed over by four teams in the last 10 years. The hiring of Dungy, the Minnesota Vikings' defensive coordinator, takes the number of black head coaches in the NFL to three. He inherits a team that has not finished above .500 or reached the playoffs since 1982. *(AP)*

Openers Lift New Zealand

CRICKET New Zealand's batsmen Craig Spearman and Roger Twose staged an unbroken century partnership to rescue the home team from trouble on the third day of the second test against Zimbabwe in Auckland. New Zealand ended the day at 138 for no wicket, a lead of 63. *(Reuters)*

Brooks Bubbles in Desert

GOLF Mark Brooks, using a borrowed putter, shot 67 in the last round for a 23-under-par total of 337 to win the Bob Hope Chrysler Classic in Palm Desert, California. It was the fifth victory of his 12-year career, worth $234,000. He beat John Huston by one shot. Scott Hoch finished with a 65 for third place. *(LAT)*

• The winner of the British Open at Royal Lytham on July 21 will receive £200,000 ($302,000) — £75,000 more than John Daly won last year at St. Andrews. Total prize money has risen £150,000 to £1.4 million, butthe first prize still does not match the three other majors. Last year, Ben Crenshaw won $360,000 at Augusta; Corey Pavin $350,000 in the U.S. Open and Steve Elkington $360,000 for the PGA title. *(Reuters)*

Mexico Takes Gold

SOCCER Mexico captured its second straight Gold Cup by beating the Brazil under-23 team, 2-0, in the rain in the Los Angeles Coliseum. Luis García and Cuauhtemoc Blanco scored for Mexico in the second half. Brazil, a guest in the tournament for Caribbean and North and Central American teams, was preparing its team for the Olympics.

The United States, which lost 1-0 to Brazil in the semifinals, beat Guatemala, 3-0, for third place. Eric Wynalda scored once to become the top international goal scorer for the United States. *(AP)*

Tiziana Sorge/AFP
Ze Maria (2) of Brazil blocking German Villa in the Gold Cup.

One Teen Conquers While Another Falls

By Christopher Clarey
Special to the Herald Tribune

MELBOURNE — It was expected to be the day of the teenager on Center Court, and it was the day of the teenager.

The surprise was that the youngster who made the biggest impression was not the strapping Australian, Mark (Scud) Philippoussis. Scud turned into a dud against his countryman Mark Woodforde. Instead, youth was served by Martina Hingis of Switzerland who, at 15, already knows more about changing tactics than Philippoussis does at 19.

"She's a little tennis genius," said Stanley Franker, the Dutch Davis Cup captain who helps coach Brenda Schultz-McCarthy.

Schultz-McCarthy, the No. 11 seed from the Netherlands, was Hingis's opponent and, ultimately, her foil, losing, 6-1, 6-4, despite smacking the fastest serve ever recorded by a woman in competition: a 196-kilometers-per-hour (122-miles-per-hour) ace in the ninth game of the second set.

Schultz-McCarthy, who stands 6-feet-2 (1.88 meters), would win that game to make it 5-4, but Hingis would calmly hold her serve at love to reach her first Grand Slam quarterfinal, where she will face the No. 16 seed, Amanda Coetzer of South Africa.

"It is a pretty good tournament for me," Hingis said in her improving English. "But it's not ending yet."

The end came with stunning swiftness for Philippoussis, the Melbourne resident who shocked No. 1 seed Pete Sampras in the third round.

After dominating front pages in Australia for two mornings and drawing a horde at his Sunday practice session, he returned to the scene of his breakthrough and proceeded to fall flat on his newly familiar face, losing, 6-2, 6-2, 6-2, in the fourth round to Woodforde, a wily redhead from Adelaide who is 11 years his senior and had never made it past the fourth round in a Slam.

The contrast between Saturday night's victory, in which Philippoussis served 29 aces and played near-perfect attacking tennis, and Monday's lopsided defeat could not have been more striking.

"It was very hard for me after a win against Sampras to come back," Philippoussis said. "I'm going to play plenty more tournaments. The main thing for me to do is get more experience. Mark showed today that experience is a key thing."

Sampras, a winner of seven Grand Slam singles titles, had no shortage of experience himself. But while Sampras opted to slug it out with Philippoussis, Woodforde changed the pace constantly. He also had more opportunities to return effectively. Against Sampras, with the retractable roof closed because of foul weather, Philippoussis served brilliantly and was never broken. Against Woodforde, in sunlight and a steady breeze, he was broken seven times.

Philippoussis opened the match with consecutive aces — he would finish with 12 — but after that Woodforde, better known as the left-handed half of the world's best doubles team, began weaving his web: slicing backhands, lobbing, drop-shotting and knocking volleys away for winners at tight angles.

Meanwhile, Philippoussis blasted away from the ground, which turned out to be as effective as using a bazooka to kill a mosquito. Boom! Philippoussis would smack a forehand. Swish. Woodforde would slice a backhand. Boom! Philippoussis would overhit, putting the ball in the net or long. In one case, he nearly hit the wall, 25 feet (8 meters) behind the baseline on the fly.

"He's got to learn that there are many ways to win a tennis match," said Woodforde's doubles partner Todd Woodbridge. "He's got to hit the ball differently against different players."

Nonetheless, it was a classic case of post-upset letdown.

"We should all just forget this match and look forward to him playing much, much better tennis," Woodforde said gallantly.

No. 6 seed Yevgeni Kafelnikov and No. 7 seed Thomas Enqvist, both 21 with powerful baseline games, have been playing well throughout this tournament, and they rolled on. Enqvist, a Swede who will face Woodforde in the next round, beat Renzo Furlan of Italy, 7-5, 6-0, 6-3, to reach his first Grand Slam quarterfinal. Kafelnikov, the top Russian, defeated Malivai Washington of the United States, 6-3, 6-2, 6-4.

Kafelnikov, a quarterfinalist in Melbourne a year ago, will face No. 4 seed Boris Becker in that same round this year. Becker, having his best run in Australia since his victory here in 1991, started slowly before defeating Brett Steven of New Zealand, 1-6, 6-4, 6-3, 6-2.

Becker holds a 2-1 edge on Kafelnikov, but all three of those matches were indoors. Kafelnikov likes his chances and not just in the quarterfinals.

"I feel like I can really win this," he said. "The one player I never won against is out of the tournament: Pete Sampras. Everybody else, I beat them. So why can't I win the Australian Open?"

In women's action, the No. 2 seed, Conchita Martínez, advanced to the quarterfinals with a surprisingly easy 6-3, 6-1 victory over No. 10, Lindsay Davenport, who had pushed her to three sets in their three previous matches and pushed Monica Seles to three sets in the Sydney final eight days ago.

"I thought I was pretty ready for this match, but I obviously wasn't," said the erratic Davenport. "Maybe I peaked a bit in Sydney."

MARTÍNEZ'S quarterfinal opponent will be the No. 8 seed, Anke Huber of Germany, who beat Barbara Schett of Austria, 6-3, 6-2. Coetzer, now using the same long racquet as Michael Chang, also advanced with a 6-3, 6-3 victory over Elena Likhovtseva of Russia.

Coetzer should have more difficulty with Hingis, who still lacks power and a penetrating serve but has a remarkably advanced tactical sense and, at least at this tournament, a refreshingly relaxed approach to her sport. In between matches, she said, she had been horseback riding and roller-blading.

On Monday, she smiled at times when Schultz-McCarthy blasted unreturnable serves. And at 5-1 in the first set, she hit a service winner of her own at a modest 160 kilometers per hour, held her arms over her head in mock celebration and yelled, "My fastest ever," in Schultz's direction.

Schultz smiled and shouted, "Maybe I should stand back more." When she did just that, Hingis served underhanded, and after losing the point, Hingis was smiling again.

"It was fun, like Michael Chang in Roland Garros," she said later, referring to Chang's underhand serve against Ivan Lendl in 1989.

Schultz-McCarthy, an exuberant sort who lost to Hingis earlier this month in the Hopman Cup team competition, took it all in stride.

"Tennis is my job, but for her, she's 15 years old, and it's a game," she said. "That's what it should be actually, but times have changed. It's very professional now."

David Brayfbrook/Reuters
Martina Hingis, 15, celebrating a service ace during her victory over Brenda Schultz-McCarthy, the No. 11 seed.

Here's Deion – on His Way to Heaven

By Thomas George
New York Times Service

IRVING, Texas — He has been "Prime Time" since 1974 — he was only 7 then — and the years before that for Deion Luwynn Sanders seem to fade, memories he would rather keep distant.

"Fort Myers, Florida, that's the crib," Sanders said recently in the room where the Cowboys' secondary meets at the club's offices. "It's good. It's the regular story: grew up in the projects, stayed away from dope and drugs, did my thing and played ball. Do we have to talk about this?

"People don't know me. What they see is on Sundays and that's what I do for a living. And I'm going to have a good time doing it. A lot of people don't like that. They don't want you to be happy. They don't want you to exhibit that in any way.

"I can feed 'em. I can give them what they want or nothing and know the difference. It depends on the scene, the mood, the setting. I'm going to Phoenix and I'm going to have a good time. But even Michael Jackson does not walk around his house with his glove on all of the time."

Here is Deion Sanders — gloves off.

He has flooded the market scene — Sega, Pizza Hut and Nike, to name a few companies — and can see him in commercials on Super Bowl Sunday nearly as much as you see him on the field when the Dallas Cowboys clash with Pittsburgh Steelers.

He has played cornerback, receiver and kick returner for the Cowboys and done each with flash and style this season. On defense, he simply shuts down his side of the field. His friends are stars — among them the rappers Ice Cube, Hammer and Snoop Doggy Dogg — and he has dabbled in music, recording a hit song last year, "Must Be the Money."

He can be as eerily cool and indifferent with people he does not know as he can be warm and charming with those he does. His family — his mother, Connie; sister, Tracey; wife, Carolyn, and children Deiondra, 5, and Deion Jr., 2, — mean everything to him. They are the biggest reason, he says, that he has run from baseball to football to music to marketing, to forever secure their lives financially.

He will swear there is nothing phony about him, though others regard him as the supreme flake. He recognizes his position, his place in sports history, a man who has played professional football and baseball and has excelled at both.

And Super Bowl XXX — his second consecutive Super Bowl after winning it last year with the San Francisco 49ers — is another opportunity for him to add to his growing stature. And, maybe, enjoy it a little more this time.

"I started getting bored in San Francisco. I needed a challenge. As soon as the Super Bowl was over, I knew I wasn't going back to San Francisco. I was bored to death. Nobody was throwing my way, and they wouldn't let me play offense.

"After the Super Bowl, I was the first one out of the locker room. It was a dream to get there, but it was an unfulfilled dream. Something wasn't right.

"There was jealousy, envy. Our defensive backfield group, we were good together and were friends. But outside of that family, there was no family. I did not enjoy that trip."

In Dallas, he has found more of an edge, a more youthful locker room, players with attitudes more like his.

"My real friends, we get together all of the time, off the field, in the off season. Let's kick it. The so-called stars of this team are confident. The so-called superstars who become jealous are ones who are not sure of themselves. Emmitt knows he's a bad body. Troy knows he's a bad dude. They know they have no reason to be jealous of me. They are confident of themselves."

Sanders has helped lift a team with potent star power into another galaxy. The Cowboys have never been more popular, their love/hate relationship with the world never more intense. Same way with Sanders.

Sanders does not have to look far to trace the roots of his show-biz style. Thomas "Hollywood" Henderson, the Cowboy linebacker from 1975-79, set the standards.

"The black athlete today is more open, one not afraid to be open and to speak up," Sanders said. "I was talking with Hollywood Henderson one day about this. He said: 'You should thank me for bringing out the Hollywood in the game. Back then, nobody else would do that. They couldn't afford to do things I was doing and that you do.' He was right. Today there are more black leaders in power and in sports."

Sanders said that while growing up, he always "visualized things larger than life." He watched Muhammad Ali ("brash and cocky") and Hank Aaron ("what he endured to be the greatest home run hitter of all time") and O.J. Simpson ("great player") and Julius Erving ("a gentleman"). He took inventory. He would pattern his career, he said, borrowing something from each.

And if you listen to Sanders, if you believe him, his athletic career is over in four years. Over, even though he turns 30 on Aug. 9 and has played parts of only seven NFL seasons.

"I've been through hell," Sanders said. "I'm riding high. And I'm on my way to heaven. People need to understand I am a man of God and that's why I've been blessed. Winning a second straight Super Bowl with a second team? Winners get a lot more respect than losers. Two Super Bowl rings? It would mean the difference. And people can take that any way they want."

CROSSWORD

ACROSS
1 Reindeer herder
5 Wilson's predecessor
9 Public spat
14 Brainstorm
15 Take on
16 Midwest Indians
17 Tilt
18 Dash
19 Wine sediment
20 Without warning
22 Opposite of black-tie
24 Hobby room
25 Talon
29 Green hazard
31 Daily dread
33 Mind-reading
36 Government agt.
38 Frost-covered
39 Kit and caboodle
43 Goddesses of the seasons
44 Chinese dollar
45 Where swine dine
46 Asmara is its capital
49 Computer unit
51 ——majesté
52 Bikini top
54 Lathered
58 The Queen of Country
61 Diving bird
64 Craftiness
65 Unexpected trouble
66 Titian's tripod
67 Military sch.
68 "——deal!"
69 City on the Aire
70 Howard and Maynard
71 Refusals

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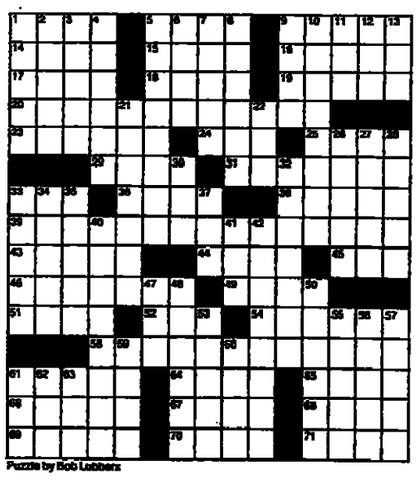
1 Perfume scent
2 —— Rogers St. Johns
3 Rings
4 Succeed in the end
5 Texas shrine
6 Feels bad
7 Consumer affairs topic
8 Somewhat sore
9 Team
10 Farm storage site
11 Meadow mom
12 Henpeck
13 Double curve
21 More distant
22 Gene ID
26 Fernando or Lorenzo
27 Without —— to one's name
28 Like pie slices
30 Buddy
32 1776 battle site
33 Singer Merman
34 Prop (up)
35 Persian sprites
37 Napoleonic general
40 It can rock you to sleep
41 Hero
42 Rubes
47 Recede
48 Caribbean native
50 Dines at home
53 Liturgical scarf
55 Colorful horse
56 Rub clean
57 "The Ballet Class" painter
59 Congers
60 Family
61 Hair preparation
62 "Norma ——"
63 WNW's opposite



Puzzle by Bob Lubbers

© New York Times/Edited by Will Shortz.

Solution to Puzzle of Jan. 22

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Does Hockey Need Newfangled 'Puter Puck?

By Joe Lapointe
New York Times Service

BOSTON — In the 1970s, television tried hard to soft-sell hockey with Peter Puck, a cute cartoon character. He explained to Americans the difference between icing and off-sides. Not enough people watched Puck, and his sport disappeared from mainstream airwaves for two decades.

Now, in the high-tech 1990s, hockey's back on a major network, with a new gimmick: 'Puter Puck.

With expensive electronic equipment embedded inside his rubber body and a special camera to track him, 'Puter Puck — called "FoxTrax" on his birth certificate — provides an enhanced image that glows blue or white on the video screen. He leaves a red comet tail as he streaks from stick to stick.

This innovation made its debut on the Fox Network during the telecast of the National Hockey League All-Star game. But it was a success even before the opening face-off. In the days before the game, even competing networks aired stories about it on their evening newscasts.

Even if it turns out to be the Comet Kabotek of sports technology, this glowing puck scored for Fox. Whether it fails or succeeds, people are talking about it. With it, Fox launched its second hockey season with an impressive blizzard of hype.

But as the buzz wears off and fans settle into their midwinter viewing habits, the challenge for Fox and other hockey networks will be to attract new viewers without alienating the experienced, core audience.

Maintaining standards for its core audience is where hockey treads on thin ice.

Many television producers and directors are new to hockey, and clumsy with it. Some try to fix something that isn't broken. They want to reinvent a wheel which — like an old-fashioned, black puck — is round, functional and traditional.

SPORTS

Magic Sweeps Rockets For a Little Revenge

Wait for Playoffs, Drexler Says

The Associated Press

The Houston-Orlando matchup is turning into a serious rivalry.

The Magic, swept by the Rockets in the National Basketball Association final last season, swept the regular-season series, winning 97-96 when Shaquille O'Neal hit a lay-up with 4.7 seconds left and blocked Houston's final shot.

The regular season means nothing, said Clyde Drexler of the Rockets.

"We won last year," he said, "so there wasn't any pressure on us. They're playing well this year. It should be interesting in the playoffs."

The last time the Rockets played the Magic, on Christmas Day, Anfernee Hardaway's last-second jumper gave Orlando the victory at home.

This time, Hardaway blunted a Houston rally that pushed the Rockets to an eight-point advantage midway through the final period. He scored 13 of his 28 points in the final quarter.

"We have a lot of weapons on this team, and whoever is hot needs to take it over and we need to go to them," said O'Neal, who finished with 29 points and 16 rebounds.

Hardaway scored eight of the Magic's last 14 points, and O'Neal accounted for the other six. The Magic ended their the longest road trip of the season — five games over nine days — with two victories and three losses and improved to 9-10 away from Orlando Arena.

Hakeem Olajuwon scored 30 points and Drexler added 20 for Houston, which has lost four of its last seven.

Pacers 106, Bullets 96 Rik Smits scored 24 points and Reggie Miller added 23 as Indiana beat the Washington Bullets for their 12th straight home victory, a franchise record.

Chris Webber had 23 points, 11 rebounds and nine assists for the Bullets. Juwan Howard, back after a one-game suspension for fighting, finished with 19 points.

Spurs 116, 76ers 88 San Antonio got Sean Elliott back and snapped its two-game losing streak.

Elliott, who had been out with a sprained foot, returned to score 13 points in the Spurs' seventh straight victory at the Spectrum. David Robinson scored 23 points, and Brad Lowhans added 18 off the bench.

The rookie Jerry Stackhouse scored 20 points for Philadelphia, which lost its fifth in a row and 13th out of 15. Clarence Weatherspoon had 17 points and 15 rebounds.

SuperSonics 108, Mavericks 101 Gary Payton scored 29 points as Seattle continued its domination of Dallas.

Shawn Kemp had 26 points and 13 rebounds for the Sonics, who have beaten the Mavericks 17 times in the past 19 meetings.

George McCloud led the Mavericks with 29 points and Jason Kidd added 22 points, eight rebounds and eight assists.

Suns 111, Kings 97 Phoenix got Charles Barkley and Kevin Johnson back from injuries and ended a six-game home losing streak.

Barkley scored 22 points and Johnson had 16 as the Suns won for the first time since Cotton Fitzsimmons took over as coach.

Mitch Richmond scored 21 points for Sacramento, which lost its 18th straight in Phoenix.

Trail Blazers 88, Cavaliers 81 James Robinson, starting in place of the injured Rod Strickland, scored 11 of his season-high 22 points in the fourth quarter to rally Portland.

Aaron McKie added 21 for the Blazers, who have won five of their last six and eight of their last 10.

Danny Ferry scored 29 points for the Cavaliers, who were playing their seventh road game in 12 days.

In games reported in later editions of Monday's paper:

Bulls 111, Pistons 96 Chicago beat Detroit for the 13th straight time, and Joe Dumars, the only remaining member of the Pistons' 1989 and '90 championship teams, thinks these Bulls are better than the team that won three straight titles.

"I've never seen anybody better than them, not one team," he said. "This Chicago team is the most confident, most assured team they've had."

The Pistons, who had won five in a row at home, were led by Grant Hill's 24 points. Otis Thorpe and Allan Houston each had 19 points for the host Pistons.

Raptors 97, Celtics 95 The rookie Damon Stoudamire scored Toronto's last eight points, including a baseline jumper with 11.8 seconds remaining, to beat Boston.

Stoudamire finished with 23 points. Alvin Robertson scored 18 and Tony Massenburg 16.

Rick Fox scored 20 points and Dino Radja, who had tied the game on two free throws before Stoudamire hit the winning basket, had 17 for the visiting Celtics.

Rockets' center Hakeem Olajuwon, right, taking a fall as Shaquille O'Neal comes up with a rebound for the Magic.

Andrew Lahodynskyj-Reuters

Syracuse Loses To Connecticut

Compiled by Our Staff From Dispatches

Sometimes Connecticut's junior guard Ray Allen should just be left alone. However, that doesn't mean he should be forgotten.

That's the lesson John Wallace and 12th-ranked Syracuse learned Sunday

COLLEGE BASKETBALL

in losing to No. 5 Connecticut, 79-70, before a sell-out crowd of 16,294 at the Hartford Civic Center.

Allen was struggling through a five-point first half in which he missed seven of nine shots when Wallace, Syracuse's standout forward, asked him, "What you got for me?"

"I was thinking to myself, 'I don't have very much for you right now,' because things weren't going our way," Allen said. "I definitely said to myself, 'I'm going to show him, and when I do, I'm going to make sure he knows it.' "

Allen responded by making eight of 11 shots in the second half, including five of six 3-pointers to finish with 27 points and guide the Huskies (16-1, 8-0 Big East) to their 15th consecutive victory.

Allen got shot after wide-open shot when the Orangemen (13-4, 4-3) failed to rotate to him in their zone defense.

"One mistake we made in the second half, we lost Ray Allen," said Syracuse's coach, Jim Boeheim.

In other games:

No. 19 Clemson 55, No. 6 Wake Forest 41 The Clemson Tigers (12-2, 3-2 Atlantic Coast Conference) bounced back after defeats by North Carolina and Florida State to upset Wake Forest (12-2, 4-1). It was the end of Wake Forest's nine-game winning streak and its lowest point total in 10 years.

No. 20 Michigan 67, No. 14 Penn State 66 In Ann Arbor, Michigan, Penn State (14-1 overall, 3-1 Big Ten) played its first game of the season against a ranked team and lost. The victory by Michigan (14-4, 3-1) created a three-way tie with Purdue and Penn State in the Big Ten. *(WP, AP)*

SCOREBOARD

TENNIS

Australian Open Results

MEN'S SINGLES, FOURTH ROUND

Yevgeny Kafelnikov (6), Russia, def. Malivai Washington, U.S., 6-3, 6-2, 6-4; Thomas Enqvist (7), Sweden, def. Renzo Furlan, Italy, 7-5, 6-0, 6-3; Mark Woodforde, Australia, def. Mark Philippoussis, Australia, 6-2, 6-2, 6-2; Boris Becker (4), Germany, def. Brett Steven, New Zealand, 1-6, 6-4, 6-3, 6-2.

MEN'S DOUBLES, THIRD ROUND

Scott Draper and Jason Stoltenberg, Australia, def. Cyril Suk and Daniel Vacek (5), Czech Republic, 6-4, 4-6, 7-5; Rick Leach and Scott Melville (9), U.S., def. Michael Tebbutt and Pieter Tramacchi, Australia, 7-6 (7-3), 6-4; Patrick Galbraith, U.S., and Andrei Olhovskiy (4), Russia, def. Jan Apell and Jonas Bjorkman (14), Sweden, 6-7 (2-7), 6-3, 6-3; Stefan Edberg, Sweden, and Petr Korda, Czech Republic, def. Mark Keil and Jeff Tarango (15), U.S., 6-1, 6-4.

WOMEN'S SINGLES, FOURTH ROUND

Conchita Martinez (2), Spain, def. Lindsay Davenport (10), U.S., 6-3, 6-1; Amanda Coetzer (16), S. Africa, def. Elena Likhovtseva, Russia, 6-3, 6-3; Anke Huber (8), Germany, def. Barbara Schett, Austria, 6-2, 6-2; Martina Hingis, Switzerland, def. Brenda Schultz-McCarthy (11), Netherlands, 6-1, 6-4.

WOMEN'S DOUBLES, THIRD ROUND

Lisa Raymond, U.S., and Gabriela Sabatini (7), Argentina, def. Kristie Boogert, Netherlands, and Nicole Bradtke (14), Australia, 6-0, 7-5; Meredith McGrath, U.S., and Larisa Neiland (2), Latvia, def. Ella Callens, Belgium, and Julie Halard-Decugis (11), France, 6-2, 6-4; Gigi Fernandez, U.S., and Natasha Zvereva (1), Belarus, def. Amanda Coetzer and Mariaan De Swardt (13), South Africa, 7-5, 6-2; Lindsay Davenport and Mary Joe Fernandez (3), U.S., def. Irina Spirlea, Romania, and Linda Wild (15), U.S., 7-5, 6-0.

MIXED DOUBLES, SECOND ROUND

Lutz Jensen and Nicole Arendt, U.S., def. David MacPherson and Rachel McQuillan, Australia, 3-6, 7-6 (9-4), 9-7; Mark Knowles, Bahamas, and Lisa Raymond (4), U.S., def. Tommy Ho and Kimberly Po, U.S., 6-4, 6-2.

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Orlando	29	10	.744	—
New York	24	14	.632	4½
Washington	19	20	.487	10
Miami	17	21	.447	11½
New Jersey	16	22	.421	12½
Boston	15	24	.385	14
Philadelphia	7	30	.189	21

CENTRAL DIVISION

Chicago	34	3	.919	—
Indiana	24	14	.632	10½
Atlanta	21	17	.553	13½
Cleveland	21	17	.553	13½
Detroit	19	18	.514	15
Charlotte	18	20	.474	16½
Milwaukee	15	22	.405	19
Toronto	11	28	.282	24

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
San Antonio	26	11	.703	—
Houston	27	13	.675	½
Utah	24	13	.649	2
Denver	16	23	.410	11
Dallas	12	25	.324	14
Minnesota	11	27	.289	15½
Vancouver	8	30	.211	18½

PACIFIC DIVISION

Seattle	27	11	.711	—
Sacramento	22	14	.611	4
L.A. Lakers	21	18	.538	6½
Portland	20	19	.513	7½
Golden State	17	22	.436	10½
Phoenix	15	21	.417	11
L.A. Clippers	15	24	.385	12½

SUNDAY'S RESULTS

Boston	18	26	32	19— 95
Toronto	30	15	26	26— 97

B: Fox 8-17 4-5 20; Radja 7-14 3-4 17. T: Robertson 8-13 2-2 18; Stoudamire 9-27 4-4 23. Rebounds—Boston 57 (Radja 14), Toronto 53 (Massenburg 14). Assists—Boston 17 (Fox 8), Toronto 19 (Stoudamire 9).

Chicago	31	22	31	26—111
Detroit	24	15	26	31— 96

C: Pippen 8-16 2-2 22; Jordan 12-23 9-11 36. D: Hill 10-18 4-7 24; Thorpe 8-17 3-5 19. Rebounds—Chicago 43 (Rodman 9), Detroit 48 (Hill, Thorpe 9). Assists—Chicago 24 (Pippen 6), Detroit 22 (Hill, Hunter 6).

Orlando	23	27	22	25— 97
Houston	22	23	24	27— 96

O: O'Neal 13-24 3-7 29; Hardaway 10-17 5-6 28. H: Olajuwon 13-28 4-6 30; Drexler 6-13 8-9 20. Rebounds—Orlando 50 (O'Neal 16), Houston 53 (Olajuwon 11). Assists—Orlando 26 (Hardaway 13), Houston 23 (Horry 10).

Washington	29	22	24	21— 96
Indiana	34	29	21	22—106

W: Howard 7-15 5-6 19; Webber 9-17 4-6 23. I: Smits 9-23 6-7 24; Miller 10-17 3-4 23. Rebounds—Washington 44 (Webber 11), Indiana 45 (Jackson, A.Davis 7). Assists—Washington 20 (Webber 9), Indiana 23 (Jackson 11).

San Antonio	34	29	28	27—118
Philadelphia	14	25	22	25— 86

S.A.: Robinson 10-12 3-5 23; Lohaus 7-15 0-0 18. P: Weatherspoon 7-13 3-3 17; Stackhouse 7-19 3-5 20. Rebounds—San Antonio 56 (Robinson 8), Philadelphia 58 (Weatherspoon 15). Assists—San Antonio 37 (Johnson 12), Philadelphia 20 (Ruffin 7).

Dallas	24	17	27	33—101
Seattle	28	25	31	24—108

D: McCloud 9-24 5-5 29; Kidd 9-24 3-6 22. S: Kemp 9-15 8-12 26; Hawkins 7-13 4-4 20; Payton 11-19 5-6 29. Rebounds—Dallas 60 (Lanes 20), Seattle 52 (Kemp 13). Assists—Dallas 22 (Kidd 8), Seattle 26 (McMillan 6).

Sacramento	19	28	22	26— 97
Phoenix	38	20	26	25—111

S: Richmond 7-13 4-6 21; Edney 4-11 2-2 12. P: Finley 6-14 6-8 18; Barkley 6-13 10-15 22. Rebounds—Sacramento 46 (Polynice 10), Phoenix 58 (Barkley 15). Assists—Sacramento 28 (Edney 7), Phoenix 26 (Johnson 10).

Cleveland	26	18	17	20— 81
Portland	17	21	17	33— 88

C: Ferry 12-20 2-2 29; Brandon 8-19 6-7 26. P: McKie 7-18 6-6 21; J. Robinson 8-18 3-4 22. Rebounds—Cleveland 37 (Mills 8), Portland 55 (Dudley 11). Assists—Cleveland 17 (Brandon 7), Portland 20 (J. Robinson 6).

Top 25 College Results

How the top 25 teams in The Associated Press' college basketball poll fared this week: 1, Massachusetts (16-0) beat Rhode Island 77-71; beat Duquesne 93-89; 2, Kentucky (15-1) beat LSU 129-97; beat Texas Christian 124-80; 3, Cincinnati (12-1) beat Xavier, Ohio 99-90; lost to Alabama-Birmingham 70-68; 4, Kansas (14-1) beat St. Peter's 85-71; beat Colorado 80-78; 5, Connecticut (16-1) beat St. John's 88-73; beat No. 12 Syracuse 79-70.

6, Wake Forest (12-2) beat Richmond 71-60; beat Georgia Tech 66-63; lost to No. 19 Clemson 55-41; 7, Villanova (14-3) lost to Seton Hall 78-73; beat No. 10 North Carolina 76-56; 8, Georgetown (16-2) beat Notre Dame 74-69; beat Seton Hall 82-62; 9, Memphis (12-3) beat Arkansas 94-72; lost to Marquette 59-55; 10, North Carolina (13-4) beat Virginia 67-53; lost to No. 7 Villanova 76-56.

11, Virginia Tech (11-1) beat George Washington 79-71; beat Dayton 63-62; 12, Syracuse (13-4) lost to West Virginia 90-78; lost to No. 5 Connecticut 79-70; 13, UCLA (12-4) beat Arizona State 87-73; lost to No. 18 Arizona 88-79; 14, Penn State (13-1) lost to No. 20 Michigan 67-66; 15, Utah (14-3) beat San Diego State 67-59; beat Colorado State 86-82, 2OT; beat Wyoming 88-65.

16, Iowa (14-4) beat Illinois 82-79; lost to Michigan State 62-60; 17, Purdue (14-3) beat Indiana 74-69; lost to Illinois 71-67; 18, Arizona (13-3) beat Southern California 93-81; beat No. 13 UCLA 88-79; 19, Clemson (12-2) lost to Florida State 75-62; beat No. 6 Wake Forest 55-41; 20, Michigan (14-4) beat No. 14 Penn State 67-66.

21, Mississippi State (11-4) beat Mississippi 53-47; lost to Arkansas 80-68; 22, Georgia (11-4) beat Florida 71-46; lost to Tennessee 67-62; 23, Auburn (15-3) beat LSU 95-87; 24, Boston College (12-3) beat St. John's 91-78; 25, Texas Tech (14-1) beat Baylor 75-69; beat Houston 95-76.

Major College Scores

SUNDAY'S RESULTS

George Washington 77, Dayton 58
Iowa St. 73, Missouri 62
Louisiana Tech 46, South Alabama 45
Louisville 87, Southern Miss. 61
Washington 85, Washington St. 71

SOCCER

ITALIAN FIRST DIVISION

Piacenza 2, Lazio 1

STANDINGS: Milan 37, Fiorentina 36, Parma 34, Juventus 29, Roma 28, Lazio 26, Napoli 26, Inter 25, Vicenza 25, Udinese 25, Cagliari 23, Sampdoria 22, Atalanta 22, Piacenza 19, Torino 17, Bari 16, Padova 15, Cremonese 12.

SPANISH FIRST DIVISION

Tenerife 4, Sevilla 2
Real Sociedad 1, Atletico Madrid 0
Valencia 2, Deportivo de La Coruna 1

STANDINGS: Atletico Madrid 49, Compostela 43, Barcelona 42, Espanyol 42, Valencia 39, Tenerife 35, Real Betis 34, Real Madrid 33, Deportivo Corona 32, Athletic Bilbao 29, Real Sociedad 29, Celta Vigo 28, Sporting Gijon 26, Zaragoza 26, Oviedo 23, Rayo Vallecano 23, Salamanca 22, Merida 22, Sevilla 22, Racing 22, Albacete 21, Valladolid 14.

CONCACAF GOLD CUP

THIRD PLACE
United States 3, Guatemala 0
FINAL
Mexico 2, Brazil 0

GOLF

Bob Hope Classic

Leading final scores and money won Sunday from the $1.3 million Bob Hope Chrysler Classic, played on the 7,037-yard, par-72 Indian Ridge CC; 6,927-yard, par-72 Bermuda Dunes CC; 6,478-yard, par-72 Indian Wells CC; and the 6,881-yard, par-72 Tamarisk CC, in Palm Desert, California:

Mark Brooks	$234,000	66-68-69-67-67—337
John Huston	$140,400	69-71-65-65-68—338
Scott Hoch	$88,400	70-69-67-68-65—339
Brad Bryant	$53,733	71-65-65-71-68—340
Nolan Henke	$53,733	69-69-64-69-69—340
P. Stewart	$53,733	71-65-71-63-70—340
Kenny Perry	$39,163	75-69-67-65-65—341
Paul Goydos	$39,163	69-64-70-69-69—341
Jeff Maggert	$39,163	69-68-69-64-71—341
Fred Couples	$39,163	72-67-67-65-70—341

HOCKEY

Olympic Qualifying

IN BARCELONA

India 0, Spain 0
Netherlands 4, Malaysia 1
Britain 4, Belarus 1

FOOTBALL

Hula Bowl

IN HONOLULU

East 17, West 10

CRICKET

SECOND TEST

NEW ZEALAND VS. ZIMBABWE, 2D DAY

MONDAY, IN AUCKLAND

New Zealand 1st innings: 251
Zimbabwe 1st innings: 326
New Zealand 2nd innings: 138 for no wicket

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

CHICAGO—Agreed to terms with Tony Phillips, outfielder, on 2-year contract.

MILWAUKEE—Agreed to terms with Ben McDonald, pitcher, on 2-year contract.

FOOTBALL

NATIONAL FOOTBALL LEAGUE

MIAMI—Tom Olivadotti, defensive coach, and Tony Nathan, running backs coach, will not return in 1996. Kippy Brown was named running backs coach. George Hill, Larry Seiple and Mike Westhoff will be retained as assistant coaches.

SAN FRANCISCO—Named Johnnie Lynn defensive backs coach.

HOCKEY

NATIONAL HOCKEY LEAGUE

BOSTON—Sent Scott Bailey and Blaine Lacher, goaltenders, to Providence, AHL.

BUFFALO—Sent John Blue, goaltender, and Scott Pearson, left wing, to Rochester, AHL. Loaned Grant Jennings, defenseman, to Atlanta, IHL.

CALGARY—Sent Joel Bouchard, defenseman, to Saint John, AHL.

CHICAGO—Recalled Bob Halkidis, defenseman, from Indianapolis, IHL and assigned him to Utah, IHL for future considerations.

COLORADO—Sent Aaron Miller, defenseman; Christian Matte, right wing; and Paul Brousseau, center, to Cornwall, AHL.

DALLAS—Sent Manny Fernandez and Jordan Willis, goaltenders, and Pat MacLeod, defenseman, to Michigan, IHL. Signed Allan Bester, goalie. Put Darcy Wakaluk, goalie, on injured reserve.

EDMONTON—Sent Jason Bonsignore, center, to Cape Breton, AHL.

FLORIDA—Announced Alexei Kudashov, center, with Carolina, AHL has left the team to play with Dusseldorf, GEL.

HARTFORD—Sent Sami Kapanen, left wing, to Springfield, AHL.

MONTREAL—Sent Darcy Tucker, center, to Fredericton, AHL. Acquired Robert Dirk, defenseman, from Anaheim for Jim Campbell, forward. Sent Marko Kiprusoff, defenseman, to Fredericton, AHL. Waived Yves Racine, defenseman, and Oleg Petrov, left wing.

N.Y. RANGERS—Sent Chris Snell, defenseman, to Binghamton, AHL. Recalled Steve Larouche, center, from Binghamton.

OTTAWA—Sent Patrick Traverse, defenseman, to Prince Edward Island, AHL.

PITTSBURGH—Sent Lee Barrie, center, and Jeff Christian, left wing, to Cleveland, IHL.

ST. LOUIS—Sent Alex Vasiliewski, center; Denis Chasse, right wing; and Christer Olsson, defenseman, to Worcester, AHL.

VANCOUVER—Sent Mike Fountain, goaltender, to Syracuse, AHL. Signed Glenn Anderson, right wing.

WASHINGTON—Sent Andrew Brunette, left wing, to Portland, AHL.

WINNIPEG—Activated Nikolai Khabibulin, goaltender, from injured list. Sent Tom Draper, goaltender, to Milwaukee, IHL.

COLLEGE

LITTLE EAST CONFERENCE—Announced Keene State College has been accepted into the conference and will begin play in the 1997-98 season.

ALABAMA—Promoted Woody McCorvey, wide receivers coach, to offensive coordinator.

ARIZONA—Declared Joseph Blair, basketball center, academically ineligible.

CALIFORNIA—Named Tom Holmoe defensive coordinator.

CAMPBELL—Named Randy Hood and Doug Clark assistant baseball coaches.

CENTRAL MICHIGAN—Suspended Vince Edwards and Thomas Kilgore, men's basketball players, for five games, and removed Ryan Holmes and Mike Walker from the team for their role in a locker room fight.

COLORADO—Announced resignation of Joe Harrington, men's basketball coach.

EASTERN TENNESSEE STATE—Announced the resignation of Alan LaForce, men's basketball coach, at the end of the season.

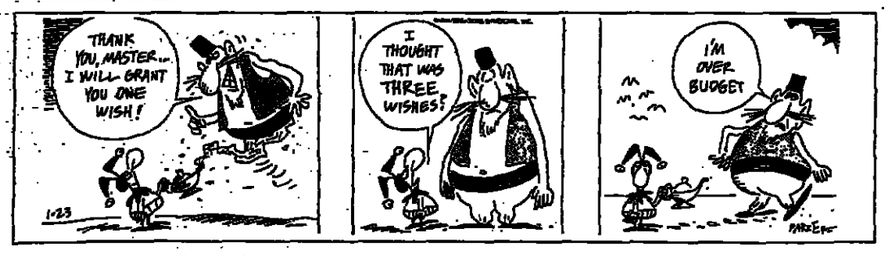
LOUISVILLE—Announced Jason Osborne, basketball forward, lost his appeal of an academic suspension to play this season; an appeal by forward Alex Sanders to the NCAA to play this season was denied.

MASSACHUSETTS-LOWELL—Announced the contract of Tom Radulski, football coach, will not be renewed.

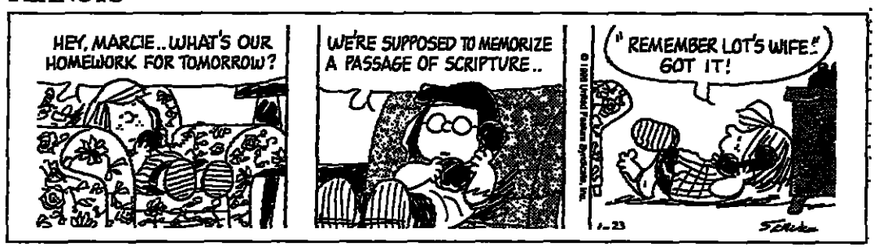
MORGAN STATE—Announced Terrance Wright, guard-forward, has left the basketball team.

DOONESBURY

WIZARD of ID

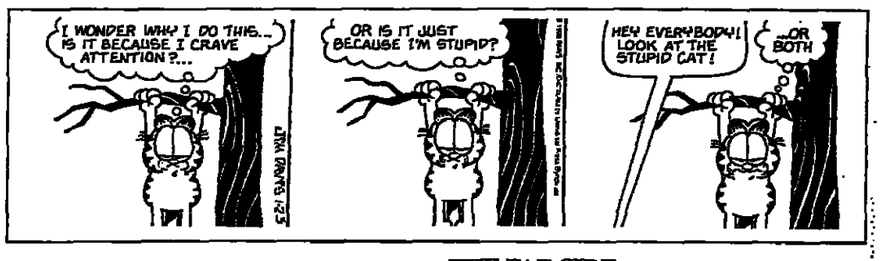


PEANUTS

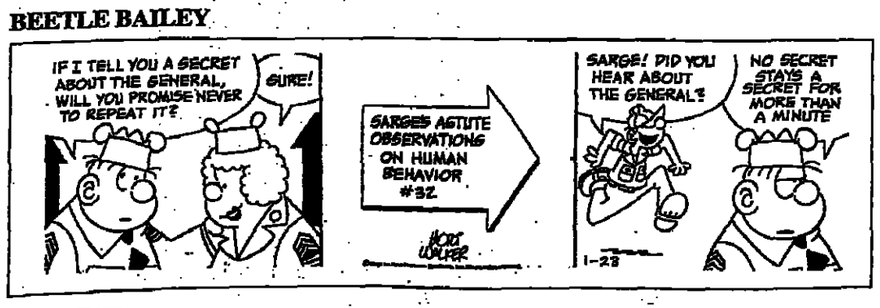


CALVIN AND HOBBES

GARFIELD



BEETLE BAILEY



BLONDIE

THE FAR SIDE

"Hey, look. No. 1, we're closed, No. 2, I only work here, and No. 3, we don't like your kind in here anyway."

JUMBLE®

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

JAROM
CYDUH
TUBECK
DARIFA

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here : A ○○○ AT THE ○○○○○

(Answers tomorrow)

Yesterday's Jumbles: LURID JUMPY PURPLE ADVICE
Answer: What the contractor had to do when the plumber finished — PAY THE "PIPER"

ART BUCHWALD

Essentially Politics

WASHINGTON — The big battle in Washington over the budget really turned nasty when government employees were defined as "essential" and "nonessential" personnel. The workers who had been declared nonessential took it to heart because they had always told their families that it was not possible to have a free society without their input.

Buchwald

To make matters worse, the essential people lorded it over their nonworking friends. Some went so far as to ask the nonessential employees if they would shovel the snow off the essential persons' sidewalk.

□

Finally a committee was formed to clarify the essentiality of all government workers. It came to some surprising conclusions that could affect the next shutdown.

The report said, "The most unessential people in Washington are members of the U.S. Congress. They make no worthwhile contribution to this society and could easily be furloughed when the government closes. In addition the committee strongly feels that the nation's legislators should also forgo any salary payments during a government shutdown."

The report went on to cite why people on Capitol Hill should be sent home:

"1. They are now responsible for two government work stoppages and must be made to realize how much pain and suffering they have caused the good people who serve their country.

"2. The budget is not a government problem but a political one. If members of Congress are deprived of their salaries, the issue becomes a fiscal problem, and it would force them to come to an agreement without blaming the other party."

One of the holdups seems to be the timetable for achieving a balanced budget. If the Hill doesn't get paid, perhaps it will give new meaning to the term "balanced budget." By the way, the president's salary will be held in escrow unless he agrees to a balanced budget in seven years — which both sides know is impossible to achieve.

□

There are some people who say that politicians are necessary to govern a nation. Perhaps they serve some purpose, but it's not necessarily an essential one. They can't do anything that couldn't be done just as well by 100 pothole inspectors.

The committee report is now being circulated for voter approval.

Taxpayers can decide whether senators and congressmen should be paid or not during the next shutdown by checking off a box on their income-tax returns. If the legislators' pay is withheld, the IRS will have the right to foreclose on their homes.

Record-Breaking Single

Reuters

LONDON — The rock group Babylon Zoo, led by a singer who is half Asian and half American Indian, leaped to the No. 1 spot Monday by producing the fastest selling debut single in British pop history. The record, "Spaceman," sold more than 500,000 copies in the first week.

The New Tower of Babel: Art on the Internet

By Steven Henry Madoff
New York Times Service

NEW YORK — The levels rise up endlessly, the structure is immense, intricate, a circular web of connecting cells grotesque in sheer girth, with no vanishing point in sight.

The image is "The Tower of Babel," by Pieter Bruegel the Elder. And now, 433 years after Bruegel painted it, a computer search to find the picture on line proves tellingly, deliciously labyrinthine. It's a voyage into a virtual world that, depending on your point of view, either complements the world of physical objects or threatens to subsume it.

Using Yahoo!, a directory service on the global Internet that says it can locate more than 10 million cyberspace addresses, a search for The Tower of Babel calls up 422 entries, from Biblical references to programming-language chatter. But not a single one reveals an on-line location for the painting.

Another directory, Lycos, and another search, for Vienna Kunsthistorisches, the museum that owns the picture, brings up 5,128 more entries. Nice if you happen to have the next 12 months free to noodle dreamily through the delirium of information.

But who can resist looking at "Austria's Imperial Cities," an exhibition at the museum, or reading an illustrated history of Gustav Klimt, or even spending time with Vienna Online, which delivers local weather and 18 other Austrian on-line connections? Still, no luck with the painting in question.

Finally, a search for the painter strikes art-history gold. After an hour and a half on this digital trail, the WebMuseum in Paris doles out a pithy biographical sketch of the artist, along with two versions of the painting in luminous, pixelated color.

Bruegel (and Genesis 11, where the story of Babel was told) was right, it seems: right about this human lust for information; right about the ambition to build monuments to our sprawling curiosity; right (if he could have known) about the Internet.

The art world, never allergic to a social trend and recovering from the bust that followed the market boom of the 1980s, has been quietly but intently gravitating to that gravity-less, giddy boom town in cyberspace called the World Wide Web, where text and pictures are easily displayed on what are known as sites or pages.

How big is this virtual-art boom? From July through November last year, 4,850 artists, museums, galleries and other arts organizations around the globe opened visual-arts sites in the Yahoo! directory, 1,300 in November alone, almost triple the directory's July figure. World Wide Arts Resources, another directory on the net, this one covering a dizzying range of art subjects, lists more than 7,000 sites.

Still, this is small change considering the vastness of the net, which has more than 10 million addresses. Exploring art sites remains a relatively elite pastime. And those who pursue it may be disappointed to find that the quality of images on computer screens can't compete with glossy magazine reproductions. Even high-resolution pictures on-line appear relatively grainy.

Yet that drawback fades in light of the basic fact of the Internet's freedom from physical bounds. André Malraux once wrote that the revolution of photographic reproduction created a "museum without walls." The Internet is the great flowering of that idea. Works of art from around the world, both originals and reproductions, have never been so easy to access — once you actually find what you're looking for.

If you want to see who's showing at the Pace Wildenstein Galleries in New York and Los Angeles, simply go to their web site for a schedule, along with pictures of and by all of their artists. You can tour the Whitney Museum of American Art or the Metropolitan or, for that matter, the Pushkin in Moscow or the Art Tower Mito in Japan. Their sites offer floor plans, pictures from the galleries, exhibitions, curators' essays and, of course, gift shops.

Quinn Rohrmann/The New York Times
Wolfgang Staehle started the Thing, an artists' bulletin board.

You can order catalogues from Sotheby's and Christie's auction houses and see which antique automobiles and Impressionist paintings will be on the block. You can look into artist grants on Arts Wire, read the latest musings on multiculturalism in the publication Trans(GT) or just surf endlessly through artists' projects available on the artist sites ada 'web and the Thing.

Of course, like everything else in the art world, judgments about this rush to cyberspace are divided — in fact, extreme.

"I find these drastic predictions of art going onto the Internet and leaving the physical world just unfounded," says Michael Govan, director of the Dia Center for the Arts in New York. "There's no question that it will result in greater access to art. But I don't think that the medium improves the art experience for the viewer."

"The web is limited," he concludes. "If it's considered supplemental to physical work, it's fine. But when people start talking about it as the primary experience, there are big problems."

For the baby boomers and their elders, the attractions of digital art may well be limited.

Consider Wolfgang Staehle, who started the Thing, an electronic bulletin board for artists that now has a web site replete with digital work, on-line chat and art reviews. He has already become nostalgic for paint and plaster.

"I appreciate the new technology," he says. "But the more I work with it, the more I appreciate painting and sculpture. I miss the physicality of the traditional media."

Yet things on the Thing may be viewed differently by generations growing up in front of video games and computer monitors. "We may perceive the real object as the valid object," says Markus Kruse, who founded World Wide Arts Resources.

"But down the line, younger people who grew up on digital delivery systems for all kinds of entertainment and education will have another view. Virtual art will be just as much a visceral art form for them as painting and sculpture. Maybe more so."

At the moment, the content can be pretty thin, many art on-liners agree. For every substantial museum site like the Los Angeles County Museum of Art's, for every sophisticated work like David Blair's deeply surreal "Waxweb," in which bees commune with the spirit world, there are many, many more that carry minimal information, few images, poor writing and unsatisfying art that feels as if it's still waiting to happen.

In defense of the technology, its champions say that the tools for colonizing cyberspace have just begun to appear. And they add that the web "democratizes," that it levels the playing field.

"We're talking about democratizing works of art in our collections, not cheapening the experience," says Maxwell Anderson, who heads the information technology panel of the Association of Art Museum Directors and directs the Art Gallery of Ontario. "We want to make things easier for people who are not art experts by preparing them with information they can get on line, before they come to the museum. No one likes to be intimidated."

POSTCARD

A Smaller Screen: Cinecittà's Identity Crisis

By Daniel Williams
Washington Post Service

ROME — For 50 years Cinecittà, the legendary Roman movie studio, has been the nerve center of Italy's film industry. On its sound stages, Sophia Loren and Gina Lollobrigida carried out their cinematic rivalry. Federico Fellini made "La Dolce Vita" forever synonymous with dissolute life in Rome. Rossellini, Visconti, De Sica, Pasolini and Antonioni all brought to life visions that made Italian movies worldwide favorites.

Foreign filmmakers also flocked to the sets; once, Cinecittà could boast that it was Hollywood-on-the-Tiber. Robert Taylor found God in "Quo Vadis." Gregory Peck escorted Audrey Hepburn on a "Roman Holiday." Liz Taylor and Richard Burton played out the affairs of "Cleopatra" on and off the spectacular set. Charlton Heston broke the chariot speed limit in "Ben-Hur."

Now Cinecittà is putting on a big exhibition to honor itself and the golden past of Italian movies. But despite the air of celebration, the event is dogged by the feeling that the studio's future will almost certainly not be as bright. In the 1950s and '60s, Italy produced more than 200 movies a year. The number now is about 50. As a result, Cinecittà is like some of the stars from its heyday: prideful but in need of a face lift and new roles. And like many fading divas, it may find that its destiny lies in television.

"I reject the notion that we will become simply an artifact, like the Colosseum," said General Director Antonio More. "But we will have to live with demands of a new era."

Off camera, the issue is money. Cinecittà is a state-owned company, and it loses money. Various governments have made noises about reducing subsidies, although the studio badly needs to purchase new technologies.

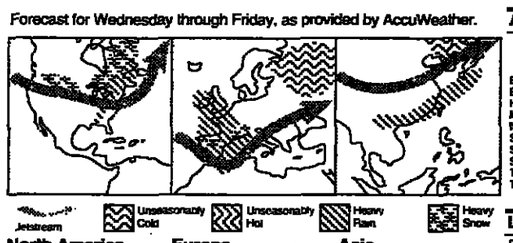
The penny-pinching mood has brought proposals to sell off part of the studio to private entrepreneurs. There is resistance to this among cultural leaders who regard Cinecittà as a national monument that ought to be kept in public hands.

More believes that a little protection from U.S. imports might help the Italian industry.

"We don't want to put heavy quotas, like the French talk about, but a little defense would be helpful," he said.

WEATHER

Forecast for Wednesday through Friday, as provided by AccuWeather.



North America Two storms will affect the country later this week. One will bring rain to the East and snow to the Great Lakes Wednesday. The other will bring snow to the northern Rockies at midweek and to the Midwest and the Northeast later in the week. Seattle and Portland will be wet; Los Angeles will be dry.

Europe A large storm will affect much of western Europe from England through France to Spain and Portugal. There will be rain in many areas, with snow in the mountains. Gusty winds are likely, also. Cold, dry weather will reach from Scandinavia to Moscow.

Asia Some rain will spread from Shanghai to Taiwan Wednesday and Thursday, and perhaps to southeastern Japan Thursday and Friday. Mainly dry and cold weather is expected in Korea and Beijing. Hong Kong will be mild Wednesday, then cooler Thursday and Friday.

Europe

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
	C/F	C/F	C/F	C/F
Algarve	12/53	9/48 sh	13/56	7/44 r
Amsterdam	2/35	0/32 pc	3/37	0/32 s
Antibes	0/32	-9/16 c	-1/31	-10/15 pc
Athens	11/52	6/43 pc	9/48	4/39 c
Barcelona	14/57	12/53 r	15/59	8/46 sh
Belgrade	1/34	-5/24 s	3/37	-4/25 pc
Berlin	-3/27	-7/20 s	4/39	-2/28 s
Brussels	2/35	0/32 c	3/37	-1/31 r
Budapest	1/34	-4/25 s	2/35	-3/27 s
Copenhagen	2/36	-3/27 s	4/39	1/31 s
Costa Del Sol	13/55	12/53 sh	15/59	8/46 c
Dublin	8/46	6/43 c	8/46	4/39 sh
Edinburgh	7/44	6/43 pc	8/46	6/43 r
Florence	8/46	3/37 c	9/48	4/39 r
Frankfurt	2/35	-4/25 s	4/39	-2/28 s
Geneva	6/43	2/35 r	7/44	1/34 r
Helsinki	1/34	-6/22 s	1/34	-6/22 pc
Istanbul	3/37	0/32 sn	4/39	-1/31 c
Las Palmas	19/66	15/59 r	21/70	14/57 c
Lisbon	11/52	8/46 sh	12/53	7/44 r
London	7/44	6/43 c	8/46	4/39 sh
Madrid	8/46	5/41 r	8/46	0/32 c
Milan	3/37	1/34 r	3/37	1/34 r
Moscow	-8/18	-13/9 s	-6/22	-11/13 s
Munich	2/35	-3/27 c	4/39	-2/29 pc
Nice	11/53	9/48 r	11/52	6/43 r
Oslo	-6/22	-12/11 pc	-3/27	-8/18 s
Mallorca	13/55	12/53 r	13/55	7/44 sh
Paris	7/44	6/43 r	8/46	3/37 r
Prague	2/35	-7/20 s	3/37	-3/27 s
Reykjavik	4/39	0/32 r	3/37	1/31 c
Rome	14/57	3/37 pc	11/52	6/43 r
St. Petersburg	-4/25	-9/16 pc	-4/25	-9/16 c
Stockholm	1/34	-5/24 s	2/35	-3/27 s
Strasbourg	4/39	1/34 pc	7/44	1/34 pc
Tallinn	2/35	-5/24 s	0/32	-5/24 pc
Venice	4/39	2/35 c	6/43	2/35 r
Vienna	-1/31	-6/22 s	2/35	-2/29 s
Warsaw	-4/25	-9/16 s	0/32	-6/22 s
Zurich	4/39	-1/31 pc	5/41	-1/31 r

Oceania

Auckland	24/75	16/61 c	24/75	17/62 pc
Sydney	27/80	23/71 c	26/82	21/70 pc

Middle East

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
	C/F	C/F	C/F	C/F
Abu Dhabi	18/64	15/59 c	22/71	15/59 pc
Beirut	14/57	13/55 sh	15/59	9/48 c
Cairo	18/61	9/48 r	14/57	8/46 pc
Damascus	11/52	4/39 sh	10/50	2/35 r
Jerusalem	12/53	7/44 pc	11/52	6/43 r
Luxor	20/68	9/48 pc	23/73	4/39 s
Riyadh	18/64	9/48 pc	18/64	9/48 r

Africa

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
	C/F	C/F	C/F	C/F
Algiers	18/64	12/53 pc	17/62	11/52 pc
Cape Town	25/79	20/68 s	20/68	13/55 sh
Casablanca	13/55	8/46 r	14/57	6/43 c
Harare	16/64	8/46 r	24/75	8/46 pc
Lagos	30/86	24/75 pc	30/86	24/75 pc
Nairobi	23/73	9/48 pc	24/75	12/53 pc
Tunis	17/62	6/43 pc	19/66	8/46 s

Asia

	Today High	Today Low W	Tomorrow High	Tomorrow Low W
	C/F	C/F	C/F	C/F
Bangkok	32/89	22/71 c	33/91	22/71 pc
Beijing	0/32	-7/20 pc	-3/29	-14/7 s
Hong Kong	19/66	16/61 c	19/84	15/59 c
Manila	21/88	23/73 pc	31/88	24/75 pc
New Delhi	24/75	13/55 pc	23/73	12/53 pc
Seoul	0/32	-10/15 pc	-3/29	-13/9 s
Shanghai	6/43	3/37 r	6/43	1/34 c
Singapore	30/86	24/75 pc	29/84	24/75 c
Taipei	21/70	14/57 c	19/66	12/53 c
Tokyo	7/44	3/37 sh	8/46	-2/29 r

Latin America

Buenos Aires	31/88	22/71 pc	29/84	18/64 pc
Caracas	29/84	19/66 pc	29/84	18/64 pc
Lima	24/75	19/66 s	24/75	20/68 pc
Mexico City	22/71	7/44 pc	23/73	7/44 s
Rio de Janeiro	34/93	25/77 pc	30/86	24/75 pc
Santiago	23/73	10/50 pc	23/73	9/48 pc

North America

Anchorage	-6/22	-11/13 sn	-7/20	-16/4 pc
Atlanta	13/55	5/41 pc	17/62	8/46 pc
Boston	4/39	-1/31 pc	9/48	1/34 pc
Chicago	7/44	-2/29 pc	4/39	-4/25 pc
Denver	3/37	-9/16 c	6/43	-9/16 pc
Detroit	4/39	0/32 pc	7/44	-3/29 c
Honolulu	27/80	20/68 c	28/82	20/68 pc
Houston	20/68	14/57 pc	22/71	13/55 sh
Los Angeles	16/61	7/44 pc	18/64	4/39 pc
Miami	25/79	19/66 pc	26/82	19/66 pc
Minneapolis	-2/29	-11/13 c	-6/22	-13/9 pc
Montreal	-2/29	-10/15 pc	0/32	-9/16 c
Nassau	27/80	21/70 pc	27/80	21/70 pc
New York	3/37	-1/31 pc	11/52	4/39 pc
Phoenix	18/61	6/43 pc	19/66	2/27 s
San Fran.	11/52	5/41 pc	11/52	6/43 pc
Seattle	4/39	-1/31 pc	5/41	1/34 r
Toronto	1/34	-7/20 pc	2/35	-6/22 c
Vancouver	2/36	-1/31 c	1/34	-1/31 r
Washington	6/43	2/35 pc	13/55	4/39 pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice, W-Weather All maps, forecasts and data provided by AccuWeather, Inc. ©1996

PEOPLE

BUCKINGHAM Palace said it was relieved that the Duchess of York had struck a multimillion-dollar deal with U.S. financiers that will help dig her out of her staggering debt, estimated at up to $4.5 million. The palace response came a day after the estranged wife of Prince Andrew reportedly reached a deal with a consortium of American business leaders to exploit her children's book character, Budgie the Helicopter. British press reports said the American businessman Ray Chambers was probably a key figure. Queen Elizabeth II made clear last week that she would not come to the rescue of her daughter-in-law after having "made generous provision to the Duchess of York over a number of years."

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Princess Diana's private secretary Patrick Jephson, resigned on Monday. Jephson, who has worked for Diana or her estranged husband, Prince Charles, for eight years, said the parting was "perfectly amicable" and denied media reports that he had quit because she had failed to inform him before her controversial television interview in November. Diana's press secretary, Geoffrey Crawford, left soon after the interview aired. Meanwhile, relations are sour between Diana and the nanny who looks after her two sons, according to press reports, which said the nanny, "Tiggy" Legge-Bourke, had called on the princess, through a lawyer, to withdraw remarks made in private that she had found offensive. The paper said Legge-Bourke had been particularly hurt by remarks allegedly made by Diana at a Christmas party at which Prince Charles was also present.

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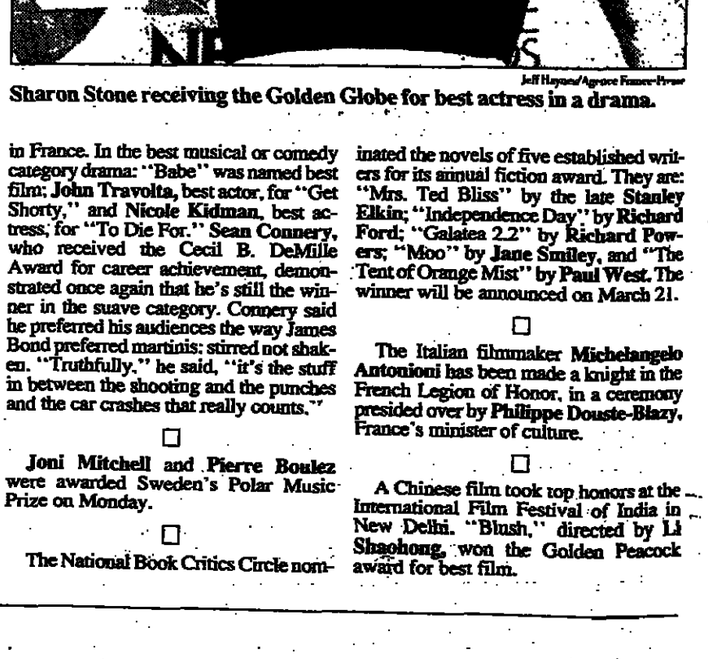
"Sense and Sensibility" picked up the Golden Globe Award for best dramatic picture, and the Oscar-winning actress Emma Thompson was named for her screenplay of the English drama. The Golden Globes, presented by the Hollywood Foreign Press Association, often give strong indications of who will win the Academy Awards. Other winners in the drama category were: Mel Gibson, director, for "Braveheart"; Nicolas Cage, best actor, "Leaving Las Vegas," and Sharon Stone, best actress, "Casino." The award for best foreign language film went to "Les Misérables," produced in France. In the best musical or comedy category drama: "Babe" was named best film; John Travolta, best actor, for "Get Shorty," and Nicole Kidman, best actress, for "To Die For." Sean Connery, who received the Cecil B. DeMille Award for career achievement, demonstrated once again that he's still the winner in the suave category. Connery said he preferred his audiences the way James Bond preferred martinis: stirred not shaken. "Truthfully," he said, "it's the stuff in between the shooting and the punches and the car crashes that really counts."



Jeff Haynes/Agence France-Presse
Sharon Stone receiving the Golden Globe for best actress in a drama.

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Joni Mitchell and Pierre Boulez were awarded Sweden's Polar Music Prize on Monday.

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The National Book Critics Circle nominated the novels of five established writers for its annual fiction award. They are: "Mrs. Ted Bliss" by the late Stanley Elkin; "Independence Day" by Richard Ford; "Galatea 2.2" by Richard Powers; "Moo" by Jane Smiley, and "The Tent of Orange Mist" by Paul West. The winner will be announced on March 21.

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The Italian filmmaker Michelangelo Antonioni has been made a knight in the French Legion of Honor, in a ceremony presided over by Philippe Douste-Blazy, France's minister of culture.

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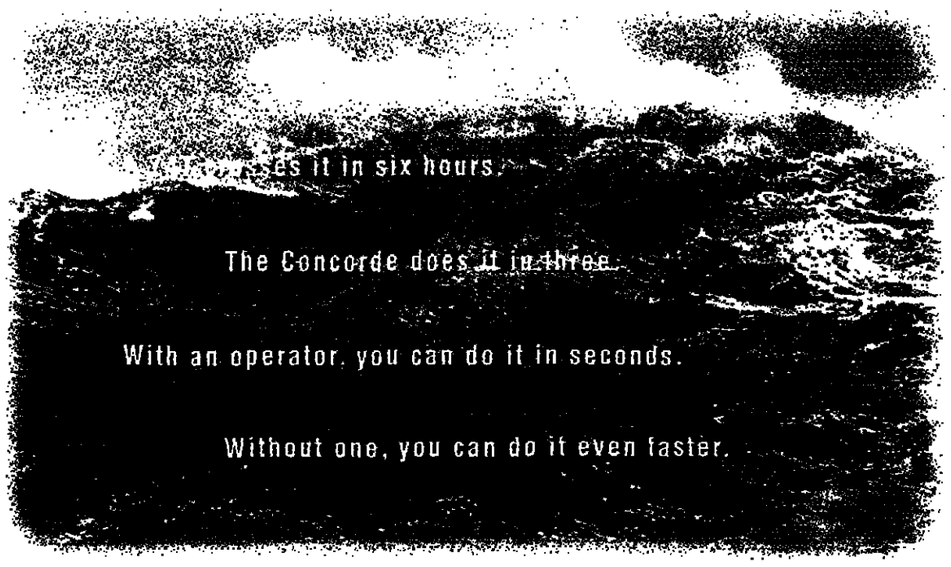
A Chinese film took top honors at the International Film Festival of India in New Delhi. "Blush," directed by Li Shaohong, won the Golden Peacock award for best film.



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Liberia	797-797
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